

SERIAL 08071 RFP PROCUREMENT CARD SERVICES

DATE OF LAST REVISION: December 17, 2008 CONTRACT END DATE: December 31, 2013

CONTRACT PERIOD THROUGH DECEMBER 31, 2013

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **PROCUREMENT CARD SERVICES**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **December 17, 2008 (Eff. 01/01/09)**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Director
Materials Management

SD/mm
Attach

Copy to: Materials Management
Lillian Patnode, Materials Management
Walt Weglarz, Materials Management
Wes Baysinger, Materials Management



CONTRACT PURSUANT TO RFP

SERIAL 08071-RFP

This Contract is entered into this 17th day of December, 2008 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and U.S. Bank National Association ND, a national banking association ("Contractor") for the purchase of Procurement Card Services.

1.0 CONTRACT TERM:

- 1.1 This Contract is for a term of five (5) years, beginning on the 1st day of January, 2009 and ending the 31st day of December 31, 2013.
- 1.2 The County may, at its option and with the agreement of the Contractor, renew the term of this Contract for additional terms up to a maximum of five (5) years, (or at the County's sole discretion, extend the contract on a month-to-month bases for a maximum of six (6) months after expiration). The County shall notify the Contractor in writing of its intent to extend the Contract term at least thirty (30) calendar days prior to the expiration of the original contract term, or any additional term thereafter.

2.0 PAYMENTS:

- 2.1 As consideration for performance of the duties described herein, the parties shall pay each other the sum(s) stated in Exhibit "A" pursuant to the terms and conditions stated in the United States Country Addendum Exhibit B-2.
- 2.2 Card rebate payments shall be made within 90 Days of the service annual anniversary date (starting March 1, 2009), pursuant to the terms and conditions stated in the United States Country Addendum Exhibit B-2.
- 2.3 Annual Incentive Payments shall be paid to the County within 60 days after the end of the immediately preceding Agreement Year for the length of the Agreement Term, pursuant to the terms and conditions stated in the United States Country Addendum Exhibit B-2.

3.0 DUTIES:

- 3.1 The Contractor shall provide all the products and perform all duties stated in Exhibit "B", under the terms of the Master Agreement Exhibit B-1 and the United States County Addendum Exhibit B-2.

4.0 TERMS and CONDITIONS (Applicable to the business relationship):

4.1 INDEMNIFICATION:

- 4.1.1 To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the negligent acts, errors,

omissions, mistakes or malfeasance relating to the performance of this Contract. Contractor's duty to defend, indemnify and hold harmless County, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is caused by any negligent acts, errors, omissions or mistakes in the performance of this Contract by the Contractor, as well as any person or entity for whose acts, errors, omissions, mistakes or malfeasance Contractor may be legally liable.

4.1.2 The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

4.1.3 The scope of this indemnification does not extend to the sole negligence of County.

4.2 INSURANCE REQUIREMENTS:

4.2.1 Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona.

4.2.2 All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

4.2.3 Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

4.2.4 The insurance policies may provide coverage that contains deductibles or self-insured retentions. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

4.2.5 County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance certificates. County shall not be obligated to review policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

4.2.6 The policies required hereunder shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

4.2.7 Commercial General Liability.

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit third party action over claims. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

4.2.8 Automobile Liability.

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services under this Contract.

4.2.9 Workers' Compensation.

4.2.9.1 Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

4.2.9.2 Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

4.2.9.3 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND UNDERSTANDS THAT FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF THIS CONTRACT.

4.2.9.3.1 In the event any insurance policy (ies) required by this Contract is (are) written on a "claims made" basis, coverage shall extend for two (2) years past completion and acceptance of Contractor's work or services and as evidenced by annual Certificates of Insurance.

4.2.9.3.2 If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

4.2.10 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

4.3 WARRANTY OF SERVICES:

4.3.1 The Contractor warrants that all services provided hereunder will conform to the requirements of the Contract, including all descriptions, specifications and attachments made a part of this Contract. County's acceptance of services provided by the Contractor shall not relieve the Contractor from its obligations under this warranty.

4.3.2 In addition to its other remedies, County may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein. Services corrected by the Contractor shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished hereunder.

4.4 NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:
Maricopa County
Department of Materials Management
Attn: Director of Purchasing
320 West Lincoln Street
Phoenix, Arizona 85003-2494

For Contractor:
U.S. Bank National Association ND
Attn: Relationship Manager
200 6th Street South
Minneapolis, MN. 55402

4.5 REQUIREMENTS CONTRACT:

4.5.1 Contractor signifies its understanding and agreement by signing this document that this Contract is a requirements contract. This Contract does not guarantee any services will be used (minimum or maximum). Service will only be used when and where County identifies a need.

4.6 TERMINATION FOR CONVENIENCE:

The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the County without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all services, as directed in the notice. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County upon demand. The Contractor shall be entitled to receive just and equitable compensation for service in progress, and transactions completed before the effective date of the termination.

4.7 TERMINATION FOR DEFAULT:

4.7.1 In addition to the rights reserved in the Contract, the County may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

4.7.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County on demand.

4.7.3 The County may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract

4.7.4 The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

4.8 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:

Notice is given that pursuant to A.R.S. §38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person

significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S §38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

4.9 ADDITIONS/DELETIONS OF SERVICE:

The County reserves the right to request the addition and/or deletion of services provided under this Contract. If additional services and/or products are mutually agreed to by the parties to this Contract, revenue for such additions will be negotiated between the Contractor and the County.

4.10 RELATIONSHIPS:

In the performance of the services described herein, the Contractor shall act solely as an independent contractor, and nothing herein or implied herein shall at any time be construed as to create the relationship of employer and employee, partnership, principal and agent, or joint venture between the District and the Contractor.

4.11 SUBCONTRACTING:

The Contractor may not assign this Contract or subcontract to another party for performance of the terms and conditions hereof without the written consent of the County. All correspondence authorizing subcontracting must reference the Contract Serial Number.

4.12 AMENDMENTS:

All amendments to this Contract shall be in writing and approved/signed by both parties. Maricopa County Materials Management shall be responsible for approving all amendments for Maricopa County.

4.13 RETENTION OF RECORDS:

4.13.1 The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine copy and make use of, any and all said materials.

4.14 AUDIT DISALLOWANCES:

If at any time, County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

4.15 ALTERNATIVE DISPUTE RESOLUTION:

4.15.1 After the exhaustion of the administrative remedies provided in the Maricopa County Procurement Code, any contract dispute in this matter is subject to compulsory arbitration. Provided the parties participate in the arbitration in good faith, such arbitration is not binding and the parties are entitled to pursue the matter in state or federal court sitting in Maricopa County for a de novo determination on the law and facts. If the parties cannot agree on an arbitrator, each party will designate an arbitrator and those two arbitrators will agree on a third arbitrator. The three arbitrators will then serve

as a panel to consider the arbitration. The parties will be equally responsible for the compensation for the arbitrator(s). The hearing, evidence, and procedure will be in accordance with Rule 74 of the Arizona Rules of Civil Procedure. Within ten (10) days of the completion of the hearing the arbitrator(s) shall:

4.15.1.1 Render a decision;

4.15.1.2 Notify the parties that the exhibits are available for retrieval; and

4.15.1.3 Notify the parties of the decision in writing (a letter to the parties or their counsel shall suffice).

4.15.2 Within ten (10) days of the notice of decision, either party may submit to the arbitrator(s) a proposed form of award or other final disposition, including any form of award for attorneys' fees and costs. Within five (5) days of receipt of the foregoing, the opposing party may file objections. Within ten (10) days of receipt of any objections, the arbitrator(s) shall pass upon the objections and prepare a signed award or other final disposition and mail copies to all parties or their counsel.

4.15.3 Any party which has appeared and participated in good faith in the arbitration proceedings may appeal from the award or other final disposition by filing an action in the state or federal court sitting in Maricopa County within twenty (20) days after date of the award or other final disposition. Unless such action is dismissed for failure to prosecute, such action will make the award or other final disposition of the arbitrator(s) a nullity.

4.16 SEVERABILITY:

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

4.17 RIGHTS IN DATA:

The County shall have the use of all data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

4.18 INTEGRATION:

This Contract, including Exhibits A, B, B-1 and B-2, represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

4.19 VERIFICATION REGARDING COMPLIANCE WITH ARIZONA REVISED STATUTES §41-4401 AND FEDERAL IMMIGRATION LAWS AND REGULATIONS:

4.19.1 By entering into the Contract, the Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Contract. I-9 forms are available for download at USCIS.GOV.

4.19.2 The County may request verification of compliance for any Contractor or subcontractor performing work under the Contract. Should the County suspect or find that the Contractor

or any of its subcontractors are not in compliance, the County may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

4.20 VERIFICATION REGARDING COMPLIANCE WITH ARIZONA REVISED STATUTES §§35-391.06 AND 35-393.06 BUSINESS RELATIONS WITH SUDAN AND IRAN:

4.20.1 By entering into the Contract, the Contractor certifies it does not have scrutinized business operations in Sudan or Iran. The contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract.

4.20.2 The County may request verification of compliance for any contractor or subcontractor performing work under the Contract. Should the County suspect or find that the Contractor or any of its subcontractors are not in compliance, the County may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

4.21 CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

4.21.1 The undersigned (authorized official signing for the Contractor) certifies to the best of his or her knowledge and belief, that the Contractor, defined as the primary participant in accordance with 45 CFR Part 76, and its principals:

4.21.1.1 are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;

4.21.1.2 have not within the 3-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

4.21.1.3 are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

4.21.1.4 have not within the 3-year period preceding this Contract had one or more public transaction (Federal, State or local) terminated for cause of default.

4.21.2 Should the Contractor not be able to provide this certification, an explanation as to why should be attached to the Contract.

4.21.3 The Contractor agrees to include, without modification, this clause in all lower tier covered transactions (i.e. transactions with subcontractors) and in all solicitations for lower tier covered transactions related to this Contract.

4.22 INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENTS (ICPA's)

County currently holds ICPA's with numerous governmental entities throughout the State of Arizona. These agreements allow those entities, with the approval of the Contractor, to purchase their requirements under the terms and conditions of the County Contract. Contractor agrees to allow these entities to secure these services, but in all cases those entities are responsible for all

their own charges and any credit extended. **In no case will the County be responsible for any of these entities indebtedness.**

4.23 GOVERNING LAW:

This Contract shall be governed by the laws of the state of Arizona. Venue for any actions or lawsuits involving this Contract will be in Maricopa County Superior Court or in the United States District Court for the District of Arizona, sitting in Phoenix, Arizona

4.24 ORDER OF PRECEDENCE:

In the event of a conflict in the provisions of this Contract and Contractor's Master Agreement and United States Country Addendum, if applicable, the terms of this Contract shall prevail for the business relationships, the Master Agreement and United States Country Addendum shall prevail for the Card Services, and the United States Country Addendum shall prevail for the revenue opportunities.

4.25 INCORPORATION OF DOCUMENTS:

The following are to be attached to and made part of this Contract:

4.25.1 Exhibit A, Revenue,

4.25.2 Exhibit B, Scope of Services,

4.25.3 Exhibit B-1, U.S. Bank Master Agreement,

4.25.4 Exhibit B-2, U.S. Bank United States Country Addendum.

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

U.S. Bank National Association ND

AUTHORIZED SIGNATURE

PRINTED NAME AND TITLE

ADDRESS

DATE

MARICOPA COUNTY

CHAIRMAN, BOARD OF SUPERVISORS

DATE

ATTESTED:

CLERK OF THE BOARD

DATE

APPROVED AS TO FORM:

DEPUTY MARICOPA COUNTY ATTORNEY

DATE

EXHIBIT A PRICING

SERIAL 08071-RFP

REVENUE SHEET: NIGP CODE 94635

BIDDER NAME:

U.S. BANK

VENDOR # :

BIDDER ADDRESS:

200 6th St South, Minneapolis, MN 55402

P.O. ADDRESS:

Not Applicable

BIDDER PHONE #:

(810) 229-1660

BIDDER FAX #:

(810) 229-1677

COMPANY WEB SITE:

<http://www.usbank.com/cps>

COMPANY CONTACT (REP):

Thomas Horgan

E-MAIL ADDRESS (REP):

thomas.horgan@usbank.com

OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: YES

1.0 REVENUE**1.1 REBATE OFFERED**

Annual Net Purchase Volume	Incentive Rate (in basis points)		
	<u>30 DAY</u>	<u>15 DAY</u>	<u>7 DAY</u>
\$0 to \$3 million	0	0	0
>\$3 million to \$5 million	.387	.537	.617
>\$5 million to \$8 million	.751	.901	.981
>\$8 million to \$12 million	.909	1.059	1.139
>\$12 million to \$18 million	.957	1.107	1.187
>\$18 million to \$25 million	1.006	1.156	1.236
>\$25 million to \$35 million	1.042	1.192	1.272
>\$35 million to \$45 million	1.082	1.232	1.312
>\$45 million	1.133	1.283	1.363
>\$50 million	1.150	1.300	1.380

Card rebate payments shall be made within 60 Days of the service annual anniversary date (starting March 1, 2009). As a growth incentive for years 2-5, U.S. Bank is also offering an incentive payment for increases in annual spend volume. U.S. Bank will pay 0.17% of the incremental year-over-year spend volume increase.

1.2 SIGNING BONUS

\$70,000.00

Annual signing bonus shall be paid to the County January 1 of every year (starting January 2009).

1.4 OTHER FEES

Standard Features	Annual Fee Per Card/Account	Fee waived (standard fee: \$10)
	30 Day Late Fee	Fee waived (standard fee: 1% of the unpaid past due balance)
	Delinquency Fee(charged at 60 days past due and at each cycle date thereafter until past due balance is paid)	2.5% of the unpaid past due balance
	Travel Accident Insurance	No fee (\$500,000 Coverage)
	Interest Charges	No fee
	Foreign Transaction Fees	2.5% per transaction
	Replacement Card Fee	No fee
	Implementation and Training Costs	No fee
	Custom Mapping	No fee
	Logo Card (one color)	Fee waived (standard fee: \$200 one-time setup fee)

Technology	Access Online Access Online is a web-based tool for data exchange, access to statements and transaction information, reporting, and transaction management.	No fee
	Access Expense	Fee will be based on products and
	Access Expense is an electronic expense reporting system	services selected.

EXHIBIT B

GENERAL SCOPE OF SERVICES

1.0 Spending Control and Monitoring

The U.S. Bank Purchasing Card program provides comprehensive, flexible controls customized online, allowing Maricopa County to predetermine spending and transaction limits on each card, controls that eliminate the need for requisition and purchase order approvals while enhancing security.

Limits may be established on the dollar value of charges made on a daily and cycle basis. The number of transactions can also be limited on a daily, monthly or cycle basis. All controls can be set down to the individual cardholder level and can be modified on an ongoing basis. U.S. Bank authorizes every transaction at the point of sale, using controls Maricopa County program administrators have specified. Some of the control features we provide include:

- 1.0.1 Merchant Category Code (MCC) Blocking – Maricopa County can prevent purchases of specific commodities and services by blocking the MCCs that represent these items. Maricopa County can establish universal MCC blocking for uniformity across all cards or set unique limits at the cardholder level.
- 1.0.2 Velocity Monitoring – Velocity monitoring allows Maricopa County to limit the number of transactions per day or month as well as limit the charge volume per day or per month.
- 1.0.3 Cardholder Single-Purchase Limit – This limit restricts the amount of a single purchase made by the cardholder, with the option to specify that a single purchase can be comprised of a single item or of multiple items purchased at one time at a particular vendor location.
- 1.0.4 Cardholder Monthly Spending Limit – The monthly limit is the maximum dollar amount authorized for a cardholder within a 30-day billing cycle. Spending limits may vary between cardholders depending upon their level and projected usage.
- 1.0.5 ATM Blocking – Cash advance capability may be blocked or limited universally, or at the cardholder level.
- 1.0.6 Expiration Dates – Maricopa County may set predetermined expiration dates on cards used for specific projects. Additionally, Maricopa County's program administrators may cancel any commercial card account at any time using U.S. Bank Access® Online, or by calling the U.S. Bank Customer Service Center or your assigned U.S. Bank Account Coordinator.
- 1.0.7 Declining Balance Capability – U.S. Bank commercial cards can be set up so employees draw down from a pre-set amount using the declining balance feature. This allows Maricopa County to set per-project dollar limits tied to a particular project or budget. The declining balance feature allows Maricopa County to impose a pre-determined credit limit on your corporate-billed accounts. The card becomes inactive at the expiration date or when the declining balance limit is depleted.

Maricopa County's Program Administrators can request changes to any of the above controls at any time by contacting your designated account coordinator. Individual credit and cash limits can be adjusted online, but changes affecting a large number of cardholders can be processed more efficiently by requesting the changes through your account coordinator.

During the discovery phase of the transition, your U.S. Bank team will follow the business plan below.

- 1.0.8 Review Maricopa County's current restrictions
- 1.0.9 Gain an understanding of your evolving business requirements
- 1.0.10 Gain an understanding of your operating culture and philosophy

- 1.0.11 Compare this information to other public sector programs
- 1.0.12 Prepare recommendations on program restrictions based upon a combination of the above information gathered during these discussions

The team's recommendations will identify areas where the new program should mirror the existing practices and where there are opportunities to add value to the program through the utilization of alternative payment products and enhanced controls.

1.1 Fraud Prevention Controls

To address the potential unauthorized use of a card, account information or identity to obtaining goods or services, credit or funds by misrepresentation of identity or information, U.S. Bank provides a full range of fraud prevention and investigative services as part of its standard offering to clients.

U.S. Bank has lead the commercial card industry and is considered best-in-class in regard to fraud loss rates. In the past, U.S. Bank has maintained a consistent average loss of less than 0.025%. In 2007, the financial industry fraud loss average was at approximately 0.07%. Our peers average between 0.055% and 0.06%; however, these numbers are not limited solely to their commercial card products. In 2007, U.S Bank's commercial card fraud loss was 0.021%.

Driven by a team of dedicated fraud professionals focused on best-in-class service and results for our clients, complete fraud life-cycle support includes:

- 1.1.1 Account Monitoring & Notification
 - 1.1.1.1 Trained fraud professionals available 24/7
 - 1.1.1.2 Fraud risk models employed to detect fraud and minimize financial exposure
 - 1.1.1.3 Outbound calls made to cardholders and program offices to verify activity
- 1.1.2 Development of Detection Strategies
 - 1.1.2.1 Sophisticated data modeling techniques used to detect fraud trends
 - 1.1.2.2 Standard industry practices including card activation programs requiring cards to be activated before first use and Card Verification Values (CVV) embedded in card magnetic strips to prevent counterfeit risk
 - 1.1.2.3 Zero liability program available to all cardholders
- 1.1.3 Customized Fraud Risk Controls
 - 1.1.3.1 Account opening and maintenance policies
 - 1.1.3.2 Appropriate credit limit assignments
 - 1.1.3.3 Merchant restrictions
- 1.1.4 Intelligence Gathering
 - 1.1.4.1 Participation in industry roundtables provides for current information on fraud trends and allows for proactive steps towards fraud mitigation
- 1.1.5 Complete Investigative Services
 - 1.1.5.1 Coordination with local, state and federal law enforcement agencies
 - 1.1.5.2 Industry leading recovery rates minimize cost of programs to our clients
 - 1.1.5.3 Assistance on internal fraud cases

1.2 Card Misuse Protection and Tools

- 1.2.1 MasterCard Liability Waiver Program

MasterCard MasterCoverage allows customers to effectively manage spending without sacrificing security. The program protects financial institutions and companies from employee misuse of charge privileges for all MasterCard Commercial card programs.
- 1.2.2 Charges by terminated cardholders up to \$100,000 per cardholder

- 1.2.3 Applies to charges billed within 75 days preceding Notification of Termination or incurred up to 14 days after Notification of Termination
- 1.2.4 Notification of cardholder account cancellation must occur within two business days of Notification of Termination
- 1.2.5 Purchase does not benefit company directly or indirectly

1.3 Statement Delivery Options

We offer multiple statement delivery options to integrate with Maricopa County's data management needs:

- 1.3.1 Electronic Statement Billing File (SBF)—SBF is an ASCII flat file with details for each cardholder within a given cycle.
 - 1.3.1.1 Available through electronic file transfer within two days after your billing cycle date.
 - 1.3.1.2 A single source of information for all purchase activity and can be archived to provide historical data.
 - 1.3.1.3 Can be used as an interface with your internal accounting or general ledger system.
- 1.3.2 Electronic Data Interchange (EDI)—EDI invoicing is available in the ANSI X12, 810 invoice format transmitted through a value-added network. It is created the day after the billing cycle date. A U.S. Bank EDI Administrator and your U.S. Bank Relationship Manager work directly with Maricopa County's IS/EDI staff to fulfill EDI requirements.
- 1.3.3 Corporate Summary Statement via Paper—A paper-based Corporate Summary Statement is available for each company setup established. It is created the day after the billing cycle date and mailed to the company address. The statement summarizes the month's activity and details transactional information by cardholder, by agency and department, depending on the cardholder setup. It also provides transactions, posting dates, vendor name, city and state, and debit/credit amounts.
 - 1.3.3.1 Twenty monthly billing cycle dates are offered and may be selected from the 6th through the 25th day of each month. If a billing cycle date falls on a weekend or holiday, data is cycled at the end of the next business day.

1.4 Automated Remittance Options

U.S. Bank offers Maricopa County a full spectrum of automated remittance options to take the burden out of the payment process. We recommend electronic payment, a central pay system, and payment-in-full policies, offering you the greatest efficiency and simplicity. The type of payment may be split within Maricopa County.

- 1.4.1 Central Pay—Individual cardholder charges are billed to Maricopa County on a single monthly statement and a single payment is made on behalf of all accounts. Central Pay is available for individual or corporate liability accounts, increasing your control and reducing the likelihood of missed or late payments, simplifying the bill paying process for cardholders and improving potential for rebates.
- 1.4.2 Electronic Funds Transfer—U.S. Bank can accept a variety of electronic payments, including EDI and ACH. By using ACH, funds and remittance information will be routed through Maricopa County's cash management bank to U.S. Bank and applied directly to your account. Electronic payment will:
 - Offer the greatest payment efficiency for central payment to multiple accounts
 - Streamline employee reimbursement
- 1.4.3 AutoPay—Allows cardholders to schedule payments, automatically paying the "Amount Due" shown on the U.S. Bank statement every month. AutoPay is available with central pay or individual pay programs. You choose whether you want funds to be posted daily or on a certain day of the month. Funds will be transferred from a designated checking or savings account and confirmation will appear on your U.S. Bank statement.

- 1.4.4 TelePay—A convenient service that allows account holders to pay U.S. Bank statements from any touch tone phone. By simply calling toll-free to the U.S. Bank TelePay accounts center, you can transfer funds and apply payment to an account. You or your cardholders can decide the amount, time and day you want to pay, giving you complete control and flexibility.

2.0 The Power of U.S. Bank Tools

2.0.1 U.S. Bank Access® Online

2.0.1.1 Design

U.S. Bank made the decision to take what had been learned in our long tenure in the market, and develop our own system that would have the flexibility to adapt to the rapidly changing future. The system was built based upon a Service Oriented Architecture, leveraging technology while ensuring scalability and flexibility, and has averaged greater than 99% uptime since being launched

2.0.1.2 Solution

Access Online is the result of this experience-based, client-focused design, which was backed up by \$50 million dollars in investment. Access Online offers a feature-rich platform easily configured and deployed to meet the unique needs of U.S. Bank clients. Maricopa County will have the ability to implement the features and functionality that best support and enhance your business processes. The system has four functional cornerstones:

- 2.0.1.1.1 Streamlined payment and procurement processes
- 2.0.1.1.2 Convenient access to information 24/7
- 2.0.1.1.3 Complete integration with financial systems
- 2.0.1.1.4 Effective and efficient management controls

Access Online offers effective and efficient management controls, including complete integration with client financial systems. A discussion of the feature functionality follows.

2.0.2 Account Setup and Maintenance

Self-service and immediate access to open new and edit existing accounts. Access Online's intuitive setup leads Maricopa County step-by-step through the implementation process. Program administrators can establish and edit demographics, account information, default accounting codes and authorization limits.

2.0.3 Transaction Management

Delivers comprehensive functionality around the processing and management of Maricopa County's transactions in a real-time environment. Access Online functionality includes:

- 2.0.3.1 MCC allocation: a transaction management best practice that greatly streamlines the reconciliation process and reduces manual posting errors
- 2.0.3.2 User defined line items: functionality that is particularly helpful for those transactions that do not have level 3 data relayed by the merchant
- 2.0.3.3 A variety of cardholder reallocation options

Transaction lists and details are available on demand for the current and past six cycles. Program administrators can adjust reallocation parameters to meet their company's needs ranging anywhere from one to 199 days.

After cycle close, cardholders also have the ability to reallocate transactions to one or multiple accounting codes — including the option of splitting individual transactions by specific dollar or percent of transaction amounts.

2.0.4 Program Administrators Can

Perform all actions available to cardholders

- 2.0.4.1 Tailor transaction management and financial extract controls
- 2.0.4.2 View and edit sales and use tax data that can be fed into Maricopa County's tax engine

- 2.0.4.3 Perform functions on behalf of the cardholders
- 2.0.4.4 Manage MCC groups and MCC allocation rules
- 2.0.4.5 Manage accounting code structures and views
- 2.0.4.6 Enable direct feeds of transactions to the company's general ledger and accounts payable systems
- 2.0.5 Cardholders Can
 - 2.0.5.1 Review individual transactions
 - 2.0.5.2 Reallocate transactions to different accounting codes
 - 2.0.5.3 Split transactions between multiple accounting codes
 - 2.0.5.4 Dispute transactions

2.0.6 Transaction Approval Process

Facilitates the procure-to-pay process by providing a mechanism to route reviewed transactions to the appropriate approval authority. Approver has the option of approving the transaction, adding comments on the transaction, rejecting it and sending it back for additional clarification.

By automating the transaction review and approval process, Maricopa County is able to monitor and drive program performance. Reviews and approvals can happen more quickly. In addition, a complete transaction audit trail becomes available and Maricopa County is able to monitor overall account activity in one convenient location.

When Maricopa County analyzes its transaction approval process, it can begin to identify trends or areas for improvement that enable the organization to gain greater processing efficiencies, reduce file turn and ultimately achieve significant cost savings.

2.0.7 Accounting Code Validation

Access Online Accounting Code Validation supports Maricopa County's requirement for an automated general ledger posting process.

In addition to facilitating the automatic identification and mapping of transactions to a general ledger account, Access Online empowers Maricopa County to customize how accounting codes are managed and applied to purchasing card transactions. Access Online can dramatically reduce the administrative overhead associated with manually correcting invalid transaction allocations.

It provides Maricopa County the flexibility to:

- 2.0.7.1 Create multiple unique accounting code structures
- 2.0.7.2 Set distinct validation rules for different cardholder groups
- 2.0.7.3 Develop and populate valid value lists
- 2.0.7.4 Design and customize accounting code validation controls

2.1 Management Reporting

Create company driven reports with 24 months of transaction data available online.

- 2.1.1 Access Online provides Maricopa County with immediate access to your transaction data. Transactions are available online within 24 hours of posting
- 2.1.2 Access Online's user interface provides Maricopa County access to program data in a timely manner. Users simply select from a list of reports, define specific selection and sort options, and choose an output type. The system includes a comprehensive set of reporting options ranging from the most basic to the most sophisticated:
- 2.1.3 Program Management Reports
- 2.1.4 Financial Management Reports
- 2.1.5 Supplier Management Reports
- 2.1.6 Tax and Compliance Management Reports
- 2.1.7 Global Management Reports

All reports are parameter-driven and offer a high degree of flexibility and variety of output formats including HTML, Microsoft Excel or PDF. All output formats are fully exportable and viewable online. By

downloading into Excel or Access, Maricopa County can further sort and merge card program information with other company data.

Access Online will allow you to run predefined standard or tailored reports through the use of multiple selections, sorting and output functions. If Maricopa County require custom reports, U.S. Bank can provide ad hoc reports through our MIS department. Program administrators can request custom reports through your U.S. Bank Account Coordinator at no cost.

2.2 Data Exchange

Data exchange fully supports both upload and download capabilities and frequently used types of files including (but not limited to) statement billing files, general ledger data feeds and custom reports. With Access Online Data Exchange, Maricopa County will continue to have secure access to transactional information.

Access Online's file transfer method supports the transfer of large numbers of files (5,000 plus), while providing consistent, uninterrupted access. It is available anytime, is easy to use and provides reliable file delivery with minimal intervention.

2.3 Financial Extracts

Access Online can accommodate large-scale integration with Maricopa County's systems. Your Technical Integration Manager will work to ensure that Maricopa County experiences a smooth, seamless integration.

Access Online Financial Extracts:

- 2.3.1 Support custom financial extract options
- 2.3.2 Provide a single point of access for accounts payable reconciliation and general ledger information
- 2.3.3 Present data in one aggregated extract rather than having to compile one extract per managing account
- 2.3.4 Provide customizable daily and cycle-based frequencies
- 2.3.5 Notify Maricopa County promptly when extracts are going to be generated and sent

2.4 Order Management

U.S. Bank recognizes the importance eProcurement solutions play in Maricopa County's overall procurement programs. Most eProcurement solutions enable Maricopa County to reduce operational costs and increase efficiency by automating the entire indirect goods and services procurement process.

For clients using eProcurement solutions such as Ariba, Perfect Commerce, SAP EBP, and Oracle iProcurement, Access Online accepts an order data feed that is reconciled against purchasing card financial transactions.

Tolerance can be created within the eProcurement application or in Access Online. Exception transactions that fall out of client-defined tolerances can be reviewed and adjusted by cardholders as needed (such as billed transactions that exceed the order amount).

Using eProcurement on the front-end of transactions and Access Online Order Management on the back-end, Maricopa County can achieve a level of procurement, payment and information assimilation that is unmatched in the industry.

2.5 Implementation

U.S. Bank has created a comprehensive implementation program for Access Online which includes a step-by-step installation plan and all the tools necessary to successfully launch the program. An experienced team of Relationship Managers, Technical Integration Managers and Access Online system administrators work with Maricopa County to assess the organization's needs and create a winning implementation strategy.

2.6 Training

To train Maricopa County on Access Online, U.S. Bank provides targeted, instructor-led training—including topics such as account setup and maintenance, management reporting, transaction management, accounting code validation, cost allocation and order management—via web conferencing, as well as self-directed web-based training. The self-directed training can be accessed 24/7 through the Internet and

provides a module for cardholders and a module for program administrators or approving managers. User manuals are available for each module and can be viewed online, printed or downloaded to the trainee's PC. Training is provided at no charge.

2.7 Specialized Reporting Tools

2.7.1 Compliance Reporting

Merchant data is collected from the original sales draft transactions, and augmented by the card association with data obtained from the acquiring bank (on behalf of the merchant, including taxpayer identification number, incorporation status code, complete location street address, and sole proprietor name) and is verified with third-party vendors. Existing data is continually validated for completeness and accuracy by the card association. Acquirers are also required to provide current, accurate and complete merchant information under MasterCard Operating Regulations.

U.S. Bank takes the validated data from the card association and loads it into our central database. This then provides a means for our MIS Department to provide reports to Maricopa County or for Maricopa County to access their data via the web-based program tool, Access Online, at any time. Clients with larger volumes of data often prefer having an electronic data file created and delivered quarterly or annually through our MIS department.

More than 4.8 million merchants pass complete merchant information required for 1099 reporting. The following reporting solutions are available to support client regulatory reporting requirements:

- 2.7.1.1 Vendor Summary for Form 1099-MISC—Access Online report providing a summary of expenditures and vendor profile information for “Form 1099 — MISC” reporting to the Internal Revenue Service. Highlights the key data elements required for 1099 reporting.
- 2.7.1.2 Unmatched Transaction Analysis for Form 1099-MISC—Access Online report detailing transactions for merchants where a profile was unavailable at the time of reporting. This report is used to identify merchants where additional research is required for 1099 reporting.
- 2.7.1.3 Vendor Summary by Socio-economic Indicator—Access Online report providing a summary of expenditures that have occurred with vendors where there is socio-economic data about the vendors' locations (such as woman-owned, minority-owned, veteran-owned and Small Business Administration-designated enterprise indicators). Contains all data elements available in the MasterCard Merchant Profile Database.
- 2.7.1.4 1099/Socio-economic Electronic Data File—An annual or quarterly data file providing 1099 summary information electronically to Maricopa County via a variety of delivery methods. It includes both vendor 1099 information, as well as socio-economic information. This file is ideal for organizations with larger volumes of data or those who prefer scheduled delivery of the information.

2.8 Tax Management

U.S. Bank offers Tax Management functionality and tools to assist Maricopa County in filtering your transaction data and leveraging order data and user information, if applicable, to assist in use tax accrual.

U.S. Bank provides reporting and models to assist Maricopa County in the proper assessment and exemption from sales tax. Merchants that capture sales tax (level II data) at the point of sale will pass this information on to U.S. Bank and we pass it to Maricopa County through reporting and transaction data files.

Because not all merchants capture level II data at the point of sale, it is important for Maricopa County to develop a tax accrual program. Once established, a tax accrual program will help to eliminate the need to make a tax decision on each purchase transaction, which is neither practical nor cost-effective. In addition, most merchants will work with municipalities that are tax-exempt to ensure no tax is assessed for eligible purchases.

U.S. Bank has developed reporting solutions within the Access Online tool to support client tax estimation requirements. These reports are designed to filter transactions prior to estimating and accruing tax.

The following reports offer simple filtering to assist Maricopa County with a basic approach to accruing use tax:

- 2.8.1 Tax Accrual Model—Access Online report providing transaction detail of expenditures and reported tax information. It is designed to support use of MasterCard’s Best Practice Tax Model. It facilitates filtering of in-state versus out-of-state transactions based on level I and II transaction data.
“Merchant State” is used to approximate the Ship-from State or origination of the goods.
“Cardholder State” is used to approximate the Ship-to State or destination of the goods.
- 2.8.2 Sales and Use Tax by State—Access Online report providing a summary of transaction amounts and sales tax reported on a state-by-state basis.
- 2.8.3 Best Practice Tax Report—In addition, a standard report is currently available through our MIS department to provide a summary of expenditures and reported tax information based on the use of MasterCard’s Best Practice Tax Model.

These reports leverage available enhanced data to refine your accrual analysis.

- 2.8.4 Tax Accrual Model with Tax Management Detail—Access Online report providing transaction detail of expenditures and reported tax information, leveraging available enhanced data through Access Online’s Tax Management functionality. It is designed to support the use of MasterCard’s Best Practice Tax Model.

It refines filtering based on whether tax was paid or implied.
It also leverages level I, II and III transaction information, as well as order information (if available), to determine the Ship from State or Ship to State.

◆ “U.S.. Bank did a great deal of legwork for us so we could maximize our program and make better decisions.”
◆ - **Oregon Health & Science University**

- 2.8.5 Sales and Use Tax by State with Tax Management Detail—Access Online report providing a summary of transaction amounts and sales tax reported on a state-by-state basis, leveraging enhanced data available through the Tax Management functionality.

2.9 Program Management Approach

The U.S. Bank goal is to empower Maricopa County to effectively manage the organization’s procure-to-pay process using the most advanced payables and receivables tools available today. A hallmark of the way U.S. Bank accomplishes this mission is through our Program Management Approach, a strategic account management methodology that ensures focus is always in sync with the goals of Maricopa County. Team members are required to be flexible in order to accommodate and support Maricopa County’s business activities, while at the same time applying strategic and consultative account management principles. These principles help them:

- 2.9.1 Identify and understand Maricopa County’s business, strategies, goals, operating culture and philosophy.
- 2.9.2 Recommend the appropriate product and/or service that will support the understanding gained in the above step.
- 2.9.3 Identify opportunities for program optimization.
- 2.9.4 Communicate best practices and benchmarking information.
- 2.9.5 Develop, implement and manage strategic action plans, with timelines and accountabilities.
- 2.9.6 Provide timely information to help monitor and drive program performance.

The U.S Bank Program Management Approach provides planning and training tools, specific project steps and resources for program implementation and post-implementation management. Our proprietary approach addresses the entire span of U.S. Bank’s relationship with you from our first contact, through the life of your program.

2.10 The Maricopa County Relationship Team

The success of Maricopa County's purchasing card program depends on U.S. Bank gaining a thorough understanding of Maricopa County's specific needs. From first contact, our approach is consultative: each step in the sales process is designed to enhance our understanding of your organization, thereby allowing us to suggest solutions that will be truly valuable to your organization. This process is accomplished by a designated team of individuals with industry-leading experience.

2.10.1 Relationship Manager—Provides direction during program implementation and facilitates success of your program through continued consultation and responsibility for account performance, program updates and product enhancements. Key responsibilities include:

- 2.10.1.1 Understands Maricopa County's goals and objectives
- 2.10.1.2 Provides consultation for an effective implementation
- 2.10.1.3 Introduces implementation project managers, project support managers and account coordinator
- 2.10.1.4 Participates in implementation meetings as necessary
- 2.10.1.5 Develops and monitors mutually determined account performance goals
- 2.10.1.6 Maximizes value of the commercial card program through continuing program consultation
- 2.10.1.7 Coordinates with other U.S. Bank departments to ensure best-in-class service
- 2.10.1.8 Facilitates program enhancement projects focusing on Maricopa County adopting industry best practices and expanding the application of commercial cards
- 2.10.1.9 Introduces all other U.S. Bank value-added products and services designed to enhance the overall relationship with Maricopa County

2.10.2 Account Coordinator—Provides ongoing daily servicing and consulting support to Maricopa County regarding U.S. Bank products, processes and best practices. The Account Coordinator assists program administrators with all aspects of program management and has the following responsibilities:

Consults and trains on program best practices and U.S. Bank program tools

- 2.10.2.1 Reviews and processes new agent/company setups for existing relationships
- 2.10.2.2 Evaluates reporting needs and helps maximize your online reporting environment
- 2.10.2.3 Changes report and hierarchy options
- 2.10.2.4 Produces and distributes ad hoc reports not available through other reporting options
- 2.10.2.5 Researches authorization declines
- 2.10.2.6 Identifies and investigates reconciliation or out-of-balance issues
- 2.10.2.7 Helps resolve delinquency issues and questions
- 2.10.2.8 Reviews and processes lost/damaged luggage claims
- 2.10.2.9 Educates Maricopa County on process and benefits of liability waiver programs

2.10.3 Customer Service Representative Department—Provides account information to cardholders toll free upon verification of personal information, 24/7. Customer service personnel also handle:

- 2.10.3.1 General inquiries, such as account balance and status, spending limit availability, and dispute status
- 2.10.3.2 Account maintenance requests, such as card activation, name and address changes, manual transaction authorizations and processing lost/stolen card reports to obtain replacement cards

2.10.4 Customer Service Research Department—Processes cardholder or company-requested billing and payment disputes. Cardholders may initiate the dispute process by following the steps outlined on the back of the monthly statement or by calling customer service.

2.10.5 U.S. Bank Investigations Department—Consists of individuals who are trained in preventing and researching fraud activity. They work closely with MasterCard Customer Service and the research department to identify fraud rings and develop security and prevention guidelines.

2.11 Account Reviews

Account reviews are one critical way in which the U.S. Bank Program Management Approach ensures Maricopa County's U.S. Bank payment solutions continue to stay on track toward achieving Maricopa County's goals. This comprehensive approach assures a smooth transition from initial contact with the U.S. Bank sales team to program implementation, from early growth to fruitful maturity and beyond.

2.11.1 Process

U.S. Bank views the account review as an ongoing commitment to the satisfaction and success of Maricopa County. Account reviews are customized based upon Maricopa County's needs. The scope of your program dictates the types of tools, forums and personnel involved in the account review. Whatever approach is established, Maricopa County can be sure our focus remains on maximizing your program's potential.

U.S. Bank has developed a comprehensive account review process to provide Maricopa County with the most pertinent and useful information upon which to base further action. During account reviews, your dedicated U.S. Bank Relationship Manager and other U.S. Bank team members review Maricopa County's goals, objectives, accomplishments, procure-to-pay process, spend behavior and commercial card program history, milestones and statistics. A customized package of reports and presentations enables U.S. Bank and Maricopa County to track current and past performance metrics.

As part of the account review process, your U.S. Bank Relationship Manager relies on U.S. Bank and industry statistics to compare Maricopa County's organizations to best-in-class programs. Utilizing the results of these benchmarking activities, as well as the expertise provided by the consulting services group, the U.S. Bank service team offers consultative advice and recommendations regarding:

- 2.11.1.1 Card program improvement and enhancement opportunities
- 2.11.1.2 Adoption of best practices
- 2.11.1.3 Additional U.S. Bank solutions to help improve Maricopa County efficiency, increase cost savings and achieve goals and objectives

2.11.2 A/P Analysis Tools

A critical consultative tool for program improvement, the U.S. Bank A/P Analysis Tool identifies spending patterns and process savings opportunities. The A/P Analysis Tool provides visibility into hard and soft dollar savings, implements industry best practices and lowers expenses in commercial card programs. The results identify opportunities that support strategic sourcing, compliance and vendor management initiatives when a commercial card program is first introduced.

In the A/P analysis, Maricopa County's financial and procurement data is first reviewed. U.S. Bank then provides Maricopa County with access to procurement and accounts payable data. In the end, real success is measured in savings. With the A/P Analysis Tool, cost savings is experienced in two ways:

- 2.11.2.1 Hard Dollar Savings
 - 2.11.2.1.1 Provide sourcing and preferred supplier data
 - 2.11.2.1.2 Reduction in A/P check and invoice processing
 - 2.11.2.1.3 Improved cash management flexibility
- 2.11.2.2 Soft Dollar Savings
 - 2.11.2.2.1 Increased leverage with contract and non-contract suppliers
 - 2.11.2.2.2 Identify Noncompliant business units
 - 2.11.2.2.3 Reduce manual and cost-intensive A/P processes

The U.S. Bank approach offers consultation as well as in-depth analysis of Maricopa County's financial data. Fast and measurable results are achieved by focusing analysis on these key deliverables:

- 2.11.2.3 Program Assessment – Pre-assessment of return on investment so Maricopa County will know where to invest valuable resources.
- 2.11.2.4 Data Analysis – Detailed and complete analysis of procurement and accounts payable data to make this crucial resource more useful.
- 2.11.2.5 Execution – Data warehousing that supports sourcing initiatives and supplier contract compliance.
- 2.11.2.6 Communications and Training

Training will play a central role in the success of Maricopa County's program, both in terms of the level of participant satisfaction attained and the program's potential for growth. We provide a comprehensive training program that takes into account the multiple ways people learn through the inclusion of the following key components:

- 2.11.2.6.1 Consultative program training
- 2.11.2.6.2 Technology-based training
- 2.11.2.6.3 Program management resources
- 2.11.2.6.4 User events and forums

U.S. Bank Corporate Payment Systems has been implementing commercial card programs since 1989. We draw on this expertise to offer training opportunities that will make a difference for Maricopa County, both at implementation and throughout the life of the program. Training is essential to future program success, and we consider an excellent indicator of our training effectiveness to be found in our rate of client retention, which currently stands at 96%.

2.12 Consultative Program Training

One of the earliest phases in implementation involves your U.S. Bank Relationship Manager assessing the training needs of Maricopa County and customizing a plan that takes into account Maricopa County's culture and internal policies for training employees.

Training in earnest will begin as your Relationship Manager works with program managers and administrators, providing training in all aspects of our best practice approach to administering and growing a program, as well as providing train-the-trainer tools to ensure the appropriate messages and skills are transferred to cardholders.

The extent to which your U.S. Bank Relationship Manager will take a lead role in training Maricopa County's key players is a distinctive feature of our approach and in keeping with our commitment to industry-leading service and expertise. There is no substitute to the insight these experts can provide. Typical components of this training will include:

- 2.12.1 Workflow design
- 2.12.2 Limits/Controls on spending and transactions
- 2.12.3 Transaction management, approval, reconciliation
- 2.12.4 MCC mapping, accounting code validation
- 2.12.5 Cardholder administration
- 2.12.6 Reporting requirements – standard and customized
- 2.12.7 Supplier management
- 2.12.8 System integration – ERP, EER, G/L
- 2.12.9 Data exchange

At a high level, training is behind every interaction between U.S. Bank and Maricopa County. Our consultative approach is at the center of our effort to convey our institutional expertise in a manner most effective for Maricopa County.

Training will not stop once Maricopa County is implemented; ongoing training is a critical differentiator for U.S. Bank clients. Following are some of examples of the ways in which your U.S. Bank relationship management team will continue to train Maricopa County for program success:

Relationship Manager – Among the many ways in which your Relationship Manager will provide ongoing training are Partnership Plans, our comprehensive system of account review, which will serve to educate Maricopa County stakeholders in successful program management.

2.12.10 Account Coordinator – Our service offering is continually evolving, particularly in the case of Access Online, but this evolution is only relevant if clients are able to readily adopt enhancements. Your U.S. Bank Account Coordinator will proactively consult with Maricopa County about maximizing new program features.

2.12.11 Relevant Subject Matter Experts – Should a specific issue arise for Maricopa County that is beyond the scope of your relationship team, we will provide the experts with the necessary expertise for training in Maricopa County's unique needs.

U.S. Bank recognizes the competitive nature of our business demands that all commercial card suppliers provide their customers with a web-based tool that includes the following functionalities.

Program administration

Reporting

Reconciliation

Where we differentiate ourselves in this area is in the approach we take to train our customers on how to maximize the potential of our web-based tool. Our approach incorporates a three prong strategy.

- 2.13 Instructor-Led “Train the Trainer/Heavy User” – This approach begins with a joint discovery session held between your program administrators and your U.S. Bank implementation team. Session will review our modular training package as well as uncover how the county is utilizing their present supplier's web program. Package will be modified to emphasize existing program similarities and identify program differentiations. Incorporate the county's evolving goals in how we structure our class communication.

As the final training package is being designed, we will meet with the county's communication department to identify the most effective tool they use in educating their internal audience.

Once the training agenda has been authorized on by the joint transition team, a schedule will be established for introducing the new program to your users.

Working with other municipalities, we normally utilize their format for educating a large target audience in a short period of time.

Our experience has identified the following functionalities as key training topics; account setup and maintenance, management reporting, transaction management, accounting code validation, cost allocation and order management

It is our experience that programs evolve over a period of time. New Program Administrators come on board, new cardholders are participating in the program, the program has been expensed to include additional suppliers, etc. To address the evolving nature of your program, we recommend that our on-site training class be repeated on an annual basis

- 2.14 Instructor-Led – U.S. Bank offers ongoing scheduled classes to our clients. Our instructor-led training is designed for program administrators and other managers. During each session, participants view the Access Online system on the Internet and dial in to a phone conference number to interact with the U.S. Bank trainer and other participants. Scheduled periodically throughout each month, these sessions walk program administrators step-by-step through the more complex functions for which they are responsible.

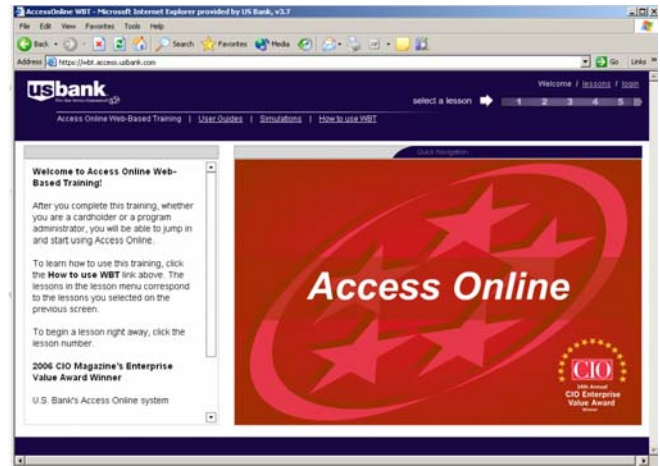
Program administrators and managers may attend classes as many times as they wish, whether as an introduction or a refresher. Each class is ninety minutes in length, which allows for the trainer to introduce Access Online, provide specific training and take questions. Web conferencing allows users to view

Access Online just as they would at their own desks, as well as work in the system to run reports and view statements, among other functions. Classes include:

- 2.14.1 Transaction management (Reconciliation)
- 2.14.2 Cost allocation
- 2.14.3 Account setup and maintenance
- 2.14.4 Account code validation
- 2.14.5 Order management
- 2.14.6 Reporting

- 2.15 Electronic Self-paced Web-based Training (WBT) – The Access Online WBT delivers a comprehensive and interactive customer training environment. Our self-paced, Web-based training program allows users to work through Access Online training at their own convenience.

We have segmented the WBT by the two types of Access Online users: program administrators and cardholders. Both segments contain training lessons on each Access Online function.



The system provides clear, screen-by-screen, step-by-step instruction on how to use the system. Overall, the training system is colorful, engaging and enjoyable to use. And since the WBT is structured into small, topical lessons, learners can pace their training (or review a lesson when necessary).

In addition to lessons, the WBT provides virtual demonstrations of many features, user manuals and quick reference guides, which review the essential steps for dozens of frequently used functions. The system also includes an option for certification, a feature that can ensure Maricopa County users have completed the necessary lessons.

- 2.16 Web Resources

During implementation, Maricopa County will be given a user ID and password to our Program Management Approach secure website. The site provides a convenient, readily-accessible resource for a wide variety of materials that have proven instrumental in the success of U.S. Bank client programs. Maricopa County users will be able to view and download training materials and templates. Tools such as a sample policy and procedures document, implementation guidebook, cardholder communications and necessary forms are provided at no cost. Users are given four main links to choose from:

- 2.16.1 Establishing Your Program
- 2.16.2 Managing Your Program
- 2.16.3 Forms and Data Specifications
- 2.16.4 Product Literature

- 2.17 User Events & Forums

The fourth component of our training approach aims to provide opportunities for Maricopa County to learn about our program solutions, share ideas/suggestions and hear best practice case studies through user events and forums. Your Relationship Manager will work with Maricopa County to determine the appropriate events and forums that will add value to Maricopa County's program.

- 2.17.1 Conferences
- 2.17.2 Summits
- 2.17.3 Best practice studies
- 2.17.4 Industry conferences
- 2.17.5 Trade shows

We understand the significant role that training will play in the success of Maricopa County's card program and will work with Maricopa County to create a customized approach that meets the unique training needs and objectives of your organization. Through our comprehensive, four-part approach to training, Maricopa

County will experience a smooth implementation, gain a clear understanding of your program and have continuous access to resources to help grow and enhance the program in the future.

2.18 U.S. Bank Best and Comparative Practices Studies

The actual experiences of other U.S. Bank commercial card clients are an effective guide for determining how specific practices and procedures can contribute to your program's success.

2.19 Client Satisfaction

Measuring the features and benefits of U.S. Bank commercial card programs against the competition has long been a practice at U.S. Bank. From the formal benchmarking practices and telephone response statistics we compile, to the satisfaction surveys and client reviews we perform, we focus on providing worthwhile services and products. Our current ranking of 95% overall client satisfaction is an indication of the success of this approach, while reminding us that there is always room for improvement.

2.20 Customer Satisfaction Surveys – U.S. Bank is committed to measuring satisfaction of its commercial card clients and cardholders on an ongoing basis. The latest survey, conducted in the fall of 2006 by Gestalt & Associates, Inc., measured customer satisfaction through an extensive web-based survey. This ongoing study gives U.S. Bank a foundation upon which to develop future customer satisfaction programs. Results from the studies are used to:

- 2.20.1 Evaluate and trend current performance and satisfaction levels for each of the U.S. Bank core services (key drivers of satisfaction)
- 2.20.2 Identify any changes in key drivers of overall satisfaction
- 2.20.3 Measure outcomes of actions taken
- 2.20.4 Identify strengths and opportunities for product enhancements that have high leverage on customer satisfaction
- 2.20.5 Benchmark service performance across organizational units
- 2.20.6 Cardholder Satisfaction Surveys – In addition to the client survey that is conducted annually, the U.S. Bank Customer Service Center routinely conducts cardholder satisfaction surveys, complete with recommendations for improving service and enhancing the utility of our program.
- 2.20.7 Some of the measurements taken on an ongoing basis include:
 - 2.20.7.1 Reason for call
 - 2.20.7.2 Time to solve problem
 - 2.20.7.3 How many calls were required to solve a problem
 - 2.20.7.4 Problem resolution satisfaction
 - 2.20.7.5 Customer Representative grade (courtesy, interest, knowledge, accuracy, clean explanations, authority)
 - 2.20.7.6 Card utility (acceptance, account limits, statements, statement accuracy, reconciliation, ease of payment)

2.21 Quality Service Program – U.S. Bank also measures response statistics and monitors calls monthly. To our knowledge, no other company in the industry has more aggressive standards.

2.22 Five Star Service Guarantee

Some banks talk about great service; only U.S. Bank guarantees it. Under our Five Star Service Guarantee, each department within the bank has developed a unique set of guarantees tailored to its clients' concerns and has developed processes for dealing with any failure to meet our guarantees.

The goal of the Five Star Service Guarantee is to demonstrate U.S. Bank employees' commitment to more prompt, respectful and helpful service. This program puts into writing our long-held focus on customer satisfaction.

Below are the Five Star Service Guarantees for Corporate Payment Systems. There are two sets of guarantees, tailored to specific customer roles: Cardholders and Program Administrators.

2.23 Cardholder Guarantees

- 2.23.1 We guarantee Customer Service Representatives will be available 24/7.

- 2.23.2 We guarantee we will respond to customer inquiries in a timely manner:
- 2.23.3 Phone inquiries made before 3 p.m. CST will receive a response on the same day.
- 2.23.4 Mailed inquiries will be processed within three business days of receipt.
- 2.23.5 We guarantee cardholder statements will be accurate.
- 2.23.6 We guarantee requests for replacement cards and Personal Identification Numbers (PINs) received by 6 p.m. CST will be processed on the next business day.
- 2.23.7 We guarantee customer payments received by noon CST will be processed the same business day.

- 2.24 Company/Program Administrator Guarantees
 - 2.24.1 We guarantee customer support will be available to the Program Administrator 24/7.
 - 2.24.2 We guarantee we will respond to inquiries within one business day.
 - 2.24.3 We guarantee we will deliver timely billing statements:
 - 2.24.4 Paper statements will be mailed within three days of your cycle date.
 - 2.24.5 Statement billing files will be transmitted by 5 p.m. CST the next business day after your cycle date.
 - 2.24.6 We guarantee your relationship management team will be responsible for and knowledgeable about your relationship and will bring you value-added ideas and payment products.
 - 2.24.7 We guarantee your relationship management team will contact you on a regular basis and will proactively work with you to improve your program.

- 2.25 Implementation

Our implementation project manager will work with Maricopa County's program administrators to design an implementation and training plan for each program that fits with your needs and goals.

- 2.26 Program Management Web Site

Before implementation, your program administrator will receive a user ID and password to access our client website, where information related to each step of the program implementation and post-implementation management processes is posted. Program administrators can visit the website any time during the life of the card program for information on program features, guidance in establishing program best practices and access to necessary forms, reference materials and training resources.

- 2.27 Implementation Team

As mentioned in the preceding discussion of Maricopa County's relationship team, your U.S. Bank Relationship Manager will provide direction during program implementation and facilitate success of your program through continued consultation and responsibility for account performance, program updates and product enhancements. Your Relationship Manager will be supported by and work in conjunction with the following team:

 - 2.27.1 Implementation Project Manager—Consults with Maricopa County to design a detailed implementation project plan and facilitates program implementation through monitoring progress against tasks. The implementation project manager's responsibilities include:
 - 2.27.1.1 Interviews customer to refine program needs and develop project plan
 - 2.27.1.2 Identifies internal and external resources on implementation and schedules implementation meetings
 - 2.27.1.3 Monitors progress of implementation, making adjustments as needed
 - 2.27.1.4 Resolves implementation roadblocks and issues
 - 2.27.1.5 Attends appropriate implementation meetings with your relationship manager
 - 2.27.1.6 Collects all account setup information at implementation meetings
 - 2.27.1.7 Checks quality of all implementation materials
 - 2.27.1.8 Coordinates processing system relationships
 - 2.27.1.9 Coordinates new cardholder accounts to the processing system
 - 2.27.1.10 Coordinates web-based program tool (Access Online) setup
 - 2.27.2 Technical Integration Manager—The technical integration manager will be the liaison between Maricopa County and the U.S. Bank MIS team during the implementation process to determine interface requirements to your financial systems and file delivery methods. The technical integration manager will work with you, your relationship manager and your MIS staff to help determine system requirements. Responsibilities include:

- 2.27.2.1 Supports web-based program tool (Access Online) implementation
- 2.27.2.2 Provides ongoing pre- and post-sales support for Web-based program tool, Electronic Data Interchange (EDI) and mapper development
- 2.27.2.3 Consults with your company on eCommerce, eProcurement, eCatalog and related initiatives

2.28 Procure-to-Pay Analysis

The earliest phase of our implementation process involves your Relationship Manager meeting with representatives of Maricopa County to review your procure-to-pay process. During this review, you will be asked to provide U.S. Bank with information from your A/P data pertaining to your company's spending behavior, including amounts and types of expenditures and vendors.

Your U.S. Bank Relationship Manager will then analyze the data and produce reports highlighting ways in which your organization can improve work efficiencies and reduce operating expenses. Working in partnership, U.S. Bank will help you establish financial cost reduction goals attributed to increased use of the commercial card and identify spend categories that may be paid with your commercial card to help you achieve those goals.

2.29 Initial Meeting

Once Maricopa County's commercial card spending opportunities have been clearly defined, our relationship manager and implementation project manager will meet with your representatives to begin implementation planning. The following tasks will be accomplished during the initial meeting:

- 2.29.1 Discuss program goals and objectives
- 2.29.2 Identify the client's program administrator
- 2.29.3 Discuss program roles and responsibilities
- 2.29.4 Confirm implementation details (e.g., payment terms, logo options, etc.)
- 2.29.5 Review implementation task list
- 2.29.6 Establish timeframe for implementation, including key milestones

2.30 Implementation Meeting

After this initial meeting, the U.S. Bank team will conduct a detailed implementation meeting with the program administrator and other client contacts. The primary implementation tasks are organized into four categories:

2.30.1 Program Structure—This category encompasses all aspects of the system setup for your commercial card program, including:

- 2.30.1.1 Billing and liability
- 2.30.1.2 Company/organization groupings and hierarchy
- 2.30.1.3 Account enrollment process
- 2.30.1.4 Spending controls and security
- 2.30.1.5 Procedures for ongoing account maintenance

2.30.2 Policy, Procedures and Compliance—Your U.S. Bank Relationship Manager and Implementation Project Manager will help you evaluate your current travel and purchasing policies and procedures, including:

- 2.30.2.1 Cardholder policy and procedures
- 2.30.2.2 Audit and compliance practices
- 2.30.2.3 Supplier management strategy
- 2.30.2.4 Tax management and compliance issues, including IRS requirements

2.30.3 Training and Communications—U.S. Bank has a variety of sample communications to help you train your cardholders and communicate program information to them.

2.30.4 Technology—Your U.S. Bank team will facilitate setting users up on Access Online, which allows you Web-based support for establishing and maintaining accounts, running reports, and managing allocations.

2.30.5 Implementation Best Practice

Following is a list of program elements that U.S. Bank believes are essential to a smooth, efficient implementation and successful ongoing card program. The absence of any of these factors could become a roadblock as we work together to meet your goals:

- 2.30.5.1 Mandate program for all eligible purchases
- 2.30.5.2 Establish parameters for eligible transactions – leveraging appropriate controls
- 2.30.5.3 Optimize card distribution – establishing card issuance criteria
- 2.30.5.4 Maximize savings by identification of transaction cost savings (i.e., benefits obtained from the elimination of paper transactions)
- 2.30.5.5 Investigate card expansion to non-traditional spend categories to maximize captured spend and rebate opportunities
- 2.30.5.6 Maximize use of Central Payment Accounts (e.g., ghost accounts, supplier accounts)
- 2.30.5.7 Incorporate purchasing cards as method of payment in vendor negotiations
- 2.30.5.8 Develop, distribute and enforce enterprise-wide card policies and procedures
- 2.30.5.9 Incorporate a comprehensive commercial card training program
- 2.30.5.10 Utilize electronic payment options (ACH)
- 2.30.5.11 Align card program objectives with company's overall procure-to-pay strategy
- 2.30.5.12 Utilize exception reporting to reduce maverick spend and maximize preferred vendor pricing

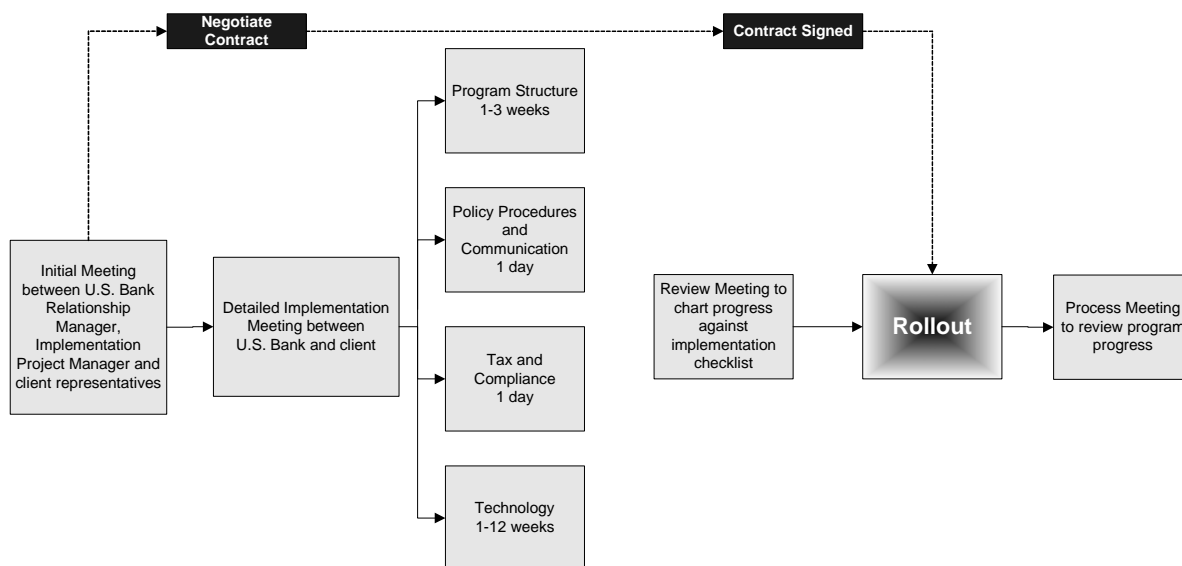
With U.S. Bank's integrated service structure, Maricopa County will have the support it needs in developing and maintaining a successful program. From the strategic consultation provided by your Relationship Manager, to inquiries conducted by our Consulting Team, to the day-to-day assistance of the Account Coordinator, U.S. Bank offers the tools to help Maricopa County reach your program goals and objectives.

2.30.6 After Action Review

Before cards are issued, your U.S. Bank Relationship Manager and Implementation Project Manager will confer with Maricopa County's Program Administrator to review progress against the implementation checklist and discuss any remaining tasks. Several months after the initial card rollout, your Relationship Manager will schedule a progress meeting to review program performance, evaluate potential for program growth and discuss additional program goals.

2.30.7 Timeline

Implementations typically take from 30 to 60 days. The following timeline is provides a high level review of a new client implementation:



2.31 Response to RFP Section 2.0 Minimum Requirements

2.31.1 User Reporting Access

The ideal requirement is to provide direct and easy access to transactional data for departmental program administrators. The access should be user friendly, secured by sub-groups, and provide as up to date transactional data as is possible. In addition to the standard provided card maintenance and reporting software, Web-enabled software shall be offered at no cost should the Public Agency desire an alternative.

U.S. Bank meets the user reporting access requirement.
Reports can be grouped by either reporting hierarchy or processing hierarchy.

The reporting hierarchy is a seven-level hierarchy customized to meet the county's reporting requirements. During the discovery phase of the transition, your implementation leader will gain an understanding of your reporting requirements, compare them to the evolving goals of the county, and make recommendations on reporting structure based upon best-in-class business practices that support your current structure and goals.

The processing hierarchy controls how transactions are processed for billing and accounting purposes. The processing hierarchy includes bank, agent, company, agency, and department. Not all organizations use all levels of the processing hierarchy. For example, an organization may use only the bank, agent and municipality levels. The pocessing hierarchy contains the following data:

Bank number, four-digit number, assigned by U.S. Bank

Agent number, four-digit number, assigned by U.S. Bank

The Agent number is the top level of a relationship where the basic templates for cards and statements are determined

Municipality number, five-digit number, assigned by U.S. Bank

The municipality number houses client-type specifics where the account information such as billing type and cycle date are set

Agency number, five-digit number assigned by the client to

Assists in breaking down the billing invoice

Department number, four-digit number assigned by client to

Assists in further breaking down the billing invoice

Access Online, our standard card maintenance and reporting tool, is a web-based program. Maricopa County will not be charged any fees for Access Online.

2.31.2 Reporting Functionality

The ideal requirement is to provide flexible functionality that will permit administrators the ability to extract and manipulate data either as standard extracts or custom extracts with minimal overhead and expense. This includes but is not limited to variable selects, sorts, and outputs. Against all data elements contained in the software application.

U.S. Bank meets Maricopa's reporting functionality requirement.

All reports are parameter-driven and offer a high degree of flexibility and variety of output formats including HTML, Microsoft Excel or PDF. All output formats are fully exportable and viewable online. By downloading into Excel, clients can further sort and merge their card program information with other company data. Report categories available include:

Program Management Reports—Enable municipalities to support general program management activities and monitor company policy compliance. Program performance indicators can highlight important trends that our clients can use to proactively manage their accounts. Program administrators gain access to information on every type of account activity.

Financial Management Reports—Allow municipalities to access transaction management activity information. These reports can be used to determine if cardholders are properly managing their accounts and ensure that expenses are being assigned to the proper cost centers.

Supplier Management Reports—Enable municipalities to manage supplier relationships, support supplier negotiations and manage spending by category. Supplier management reports are used to analyze the overall effectiveness of our clients' supplier strategies and identify overall

performance issues and opportunities. Our clients are armed with actual program performance information that can be leveraged to drive supplier behavior and positively impact supplier negotiations.

Tax and Compliance Management Reports—Assist clients with monitoring expenditures, tracking variances and managing account allocations. Tax and compliance management reports can be used to ensure that our clients' programs are operating in accordance with U.S. Federal government standards and requirements.

In short, Access Online's Management Reporting:

Meets our clients' unique reporting needs with customized reporting tools

Measures and monitors program performance

Identifies unique spending patterns and preferred supplier opportunities

Eliminates hard-copy report distribution

Makes monitoring purchasing and travel program compliance easy

Provides online access to 24 months of transaction data

Custom Reporting

Access Online also allows users to run predefined standard or tailored reports through the use of multiple selection, sorting and output functions. Featuring a comprehensive set of reporting options—from simple to complex—Access Online reports are parameter-driven, offer a high degree of flexibility and are fully exportable and/or viewable online. Additionally, Access Online offers the following ad hoc reporting and scheduling options.

Flex Data Reporting

This Access Online feature puts the control in the user's hands, so they can define what they want to see in a report. By setting the report context – date ranges, processing or reporting hierarchies and more – users are able to choose the amount of data. By defining report content (fields to include or calculate) users ensure the information they need – and only the information they need – is in the report. Users can define a logical grouping of data, and at what level it should be subtotaled.

Report Scheduler

This Access Online feature allows Program Administrators to schedule reports to run once or on a recurring basis. Additional features include:

Reports can be delivered to multiple recipients

Recipients can be notified via e-mail when the report is available

Access to functionality is controlled by Report Scheduler entitlement

In addition, custom reports can be requested and scheduled by contacting your U.S. Bank Account Coordinator.

We can provide reports via Access Online Data Exchange, diskette or CD. U.S. Bank can also provide a data transmission via HTTPS, Secure FTP, Secure AS2, Native FTP, Connect:Direct, VAN, Async and BDC.

2.31.3 Data Capture

The ideal requirement is to provide all transaction data collected and line item detail for the various levels of data capture (Level 1,2, and 3). The following constitutes an ideal list of transaction data.

2.31.3.1 Cardholder Number:

2.31.3.2 Cardholder Name:

2.31.3.3 Transaction Dollars:

2.31.3.4 Transaction Tax:

2.31.3.5 Transaction totals:

2.31.3.6 MCC codes:

2.31.3.7 Vendor Name:

2.31.3.8 Vendor TIN number:

2.31.3.9 Vendor DUNS number:

- 2.31.3.10 Other unique Vendor identifier:
- 2.31.3.11 Small Business Enterprise Indicator
- 2.31.3.12 1099 status
- 2.31.3.13 Vendor Group identifier
- 2.31.3.14 Transaction Date
- 2.31.3.15 Post Date
- 2.31.3.16 Expense Type Allocation
- 2.31.3.17 Transaction Allocation
- 2.31.3.18 Contract Number

U.S. Bank will pass all data provided by merchants.

Data available on all transactions includes:

- 2.31.3.19 Cardholder Number
- 2.31.3.20 Cardholder Name
- 2.31.3.21 Transaction Dollars
- 2.31.3.22 Transaction totals
- 2.31.3.23 MCC code
- 2.31.3.24 Vendor Name
- 2.31.3.25 Transaction Date
- 2.31.3.26 Merchant City
- 2.31.3.27 Merchant State
- 2.31.3.28 Merchant Zip code

The following data elements are considered enhanced data, which is not provided by all merchants. However, U.S. Bank will pass on this data for all merchants who provide this information:

- 2.31.3.29 Transaction Tax
- 2.31.3.30 Vendor TIN number
- 2.31.3.31 Vendor DUNS number
- 2.31.3.32 Small Business Enterprise Indicator

2.31.4 System

- 2.31.4.1 U.S. Bank provides reporting capabilities through Access Online that will help Maricopa County identify transactions that qualify for 1099 reporting, based on MCC. MCC is provided for 100% of transactions.
- 2.31.4.2 Additionally, through Access Online, Maricopa County can receive the following data:
- 2.31.4.3 Expense Type Allocation
- 2.31.4.4 Transaction Allocation
- 2.31.4.5 Contract Number (as a Product Code field)
- 2.31.4.6 The following will provide a high level overview on how the contract number may be added to a transaction prior to the data being transmitted through the general ledger file update.
- 2.31.4.7 When the cardholder reviews his or her purchases under the transaction management functionality of Access Online, he or she has the ability to add a contract number or multiple contract numbers to the purchase, either as a comment or as additional accounting code information. This information is then passed along to the county in the general ledger file update.
- 2.31.4.8 In a ghost card or supplier specific account environment we propose to add the contract number to the account number profile information. At the time of purchase, the supplier will be asked to verify that the contract number is being captured in the

purchase identification field. Through the utilization of a custom mapper, U.S. Bank would then pass along the contract number as with our general ledger file update.

- 2.31.4.9 There are two additional avenues the county may utilize to ensure that the contract number is being captured with the original transaction. Both approaches are tied to B2B relationships and involve account numbers where plastic is not issued. The first approach is referred to as “Order Management” and the second is called “Payment Plus.”

2.31.5 Order Management

- 2.31.5.1 For clients using eProcurement solutions such as Ariba, Perfect Commerce, SAP EBP, and Oracle iProcurement, Access Online accepts an order data feed that is reconciled against purchasing card financial transactions.
- 2.31.5.2 Tolerance can be created within the eProcurement application or in Access Online. Exception transactions that fall out of client-defined tolerances can be reviewed and adjusted by cardholders as needed (such as billed transactions that exceed the order amount).
- 2.31.5.3 on the front-end of transactions and Access Online Order Management on the back-end, Maricopa County can achieve a level of procurement, payment and information assimilation that is unmatched in the industry.

2.32 Payment Plus

- 2.32.1 This program adds comprehensive control to the purchasing card payment process by allowing suppliers to process charges only for amounts authorized by Maricopa County.
- 2.32.2 U.S. Bank Access® Online Payment Plus extends the value of purchasing card programs by allowing organizations to further automate their Accounts Payable payment processes. Instead of issuing traditional paper check payments, clients send payment instruction files to U.S. Bank, resulting in supplier payments through cardless U.S. Bank purchasing accounts.
- 2.32.3 Under this program, Maricopa County uses their current procurement process to create purchase orders and receipts and to process invoices for payment to selected vendors. Once approved payments are ready for processing, Maricopa County provides a file of these payments to U.S. Bank. U.S. Bank then uses one of two options to accommodate payment to your suppliers:
- 2.32.4 Pre-authorized Limits – Under this option, U.S. Bank dynamically raises credit limits on supplier dedicated cards from zero to the amount of the payment appearing on the approved payment file received from Maricopa County. Once suppliers process transactions on these cards, the program automatically resets credit limits to zero to prevent any additional unauthorized processing.
- 2.32.5 Single-Use Accounts – This option also provides the same dynamic credit limit capability as our Pre-authorized Limit program with the added capability of assigning unique account numbers (Single-Use Accounts) to each approved payment transaction. In addition, Single-Use Accounts simplify reconciliation through the one-to-one relationship of the account number to the posted transaction.

This new program provides significant benefit for Maricopa County and its contracted suppliers:

- 2.32.6 Concept allows the county to match original requisition with electronic invoice provided by the supplier. Once the appropriate approval has been given to the invoice, authorization is provided to U.S. Bank to communicate to the supplier the dollar amount that may be charged to the supplier's account number. Utilizing this approach with contracted suppliers will eliminate disputes associated with incorrect amounts being billed to the assigned account number.

This new program provides significant benefit for Maricopa County and its suppliers:

- 2.32.7 With the control provided by Payment Plus, this process will allow for usage of purchasing cards for complex transactions that currently do not fit a traditional purchasing card program. Maricopa County will have the ability to maintain all current controls associated with the procurement process and capture all required data to support compliance and sourcing efforts in combination with the simplified payment capability of purchasing cards.
- 2.32.8 This new program does not require implementation of new software, instead leveraging existing purchasing and payables systems and Access Online.
- 2.32.9 Cash float time on existing payments is expanded under the program as suppliers may be paid under existing terms, yet Maricopa County receives a consolidated billing statement that is not due until after the billing cycle is complete.
- 2.32.10 Payments processed under the new program would allow Maricopa County to generate substantial additional rebate
- 2.32.11 Once approved payments are made available, suppliers can process them immediately and typically receive funds within 24 to 48 hours. This quick pay capability significantly reduces costs and delays associated with check processing for suppliers and also eliminates check printing/stock, mailing and processing for Maricopa County.
- 2.32.12 U.S. Bank recognizes contract management is an ongoing key initiative for the county's purchasing department. We are confident that our combination of order management and payment plus options will support your key initiative of tracking performance against contracts.
- 2.32.13 In addition, the ideal requirement is to offer user defined fields that can be validated against user maintained reference tables.
- 2.32.14 Client administrators can create user defined fields using Accounting Code Structures in Access Online. Each structure can contain any combination of fields totalling up to 150 characters in length, and different structures can be defined for different cardholder or hierarchy groups. Also, each structure can have associated Valid Value Lists and Accounting Validation Controls to limit user entered data. This validation information is maintainable by client administrator users with on-screen real-time updates, or with file uploads.
- 2.32.15 Access Online ensures the accurate accounting allocation of Maricopa County's card transactions. The system not only facilitates the automatic identification and mapping of transactions to a general ledger account, but also empowers Maricopa County to customize how accounting codes are managed and applied to purchasing card transactions. Access Online can dramatically reduce the administrative overhead associated with manually correcting invalid transaction allocations. Access Online provides Maricopa County the flexibility to:
 - 2.32.16 Create multiple unique accounting code structures
 - 2.32.17 Set distinct validation rules for different cardholder groups
 - 2.32.18 Develop specific validation rules per accounting code segment including validate from a list of valid values and validate by numeric values
 - 2.32.19 Design and customize accounting code validation controls
 - 2.32.20 Accounting code validation involves effectively categorizing and identifying accounting code segments whose values have interdependencies. U.S. Bank defines an accounting code as a string of characters that consists of one or more segments. Access Online can accommodate accounting codes up to 150 characters in length and any number of segments up to that limit. The character string within each segment is used by the client's general ledger system to categorize and organize financial transactions. Transactions are typically categorized by:
 - 2.32.21 General ledger accounts/expense types and

2.32.22 Organizational groups/cost centers

2.32.23 Government agencies have extended accounting functions that sometimes number 40 or more characters in length. Ideally, all of this data should be validated during the reconciliation process to reduce legacy system errors.

2.32.24 A typical accounting breakdown appears here as a sample along with field length.

FUND- 4
 AGENCY- 3
 ORGN- 4
 SUB-ORGN 2
 ACTIVITY- 4
 FUNCTION- 4
 OBJECT- 4
 SUB-OBJT- 2
 JOB-NUMB- 8
 REPT-CAT- 4

2.32.25 U.S. Bank meets this requirement. Accounting code strings are made up of segments, which are limited to 70 characters each. There is no limit to the number of segments an agency may have.

In addition, data capture of contractual data, which would ideally be validated during the reallocation process. Additional fields for miscellaneous data entry preferred.

2.32.26 U.S. Bank meets these requirements.

2.32.26.1 Procurement Activity Logs

Most if not all of government p-card programs require the cardholders to post their procurement transactions to some type of log. The ideal solution would, therefore, facilitate this activity with additional electronic tools.

2.32.26.2 Transaction reports can be run for each cardholder account in Access Online. All reports can be exported in .pdf, .xls, and .txt formats for integration into Maricopa County logs or general ledgers.

2.32.26.2.1 Users fill out an order form in Access Online with description, line items, allocations as they are made.

2.32.26.2.2 System maintains a list of unfulfilled, partial, and fulfilled orders.

2.32.26.2.3 Users can manually match orders to transactions to reconcile payment. Multiple transactions can be matched to a single order.

2.32.26.2.4 Users can mark a receipt status with each order including commenting on exceptions.

2.32.26.2.5 Administrators can run an Order Analysis report for a list of unfulfilled orders.

2.32.26.2.6 Administrators can run an Order Receipt report for detail of received goods & services.

2.32.26.2.7 Administrators can run a Full Transaction and Order Detail report for detail on the original order and the card payment.

2.32.26.3 Data Extraction

The Public Agency will invariably have a legacy system, which will process payments for card activities on a cyclical basis. Interfaces to these legacy systems can be a major time and resource overhead. The ideal solution will provide functionality and flexibility with minimal overhead as an integral part of its design. The level of any necessary post adoption development and expense will therefore be at a minimum.

U.S. Bank offers standard output files that can be mapped into your respective accounting systems, or U.S. Bank can map to specific data file specifications. U.S.

Bank can also support any Maricopa County business unit using EDI technology for data delivery via a Value-added Network, enabling data uploads through an accounting system gateway.

We recommend our clients use Access Online's data exchange capability to avoid any data retrieval fees that are assessed through third-party VANs. Industry experience has shown that municipalities using in-house mapping resources to map off of a card provider's standard data output file results in both a timely program implementation and the most efficient use of IT resources.

During the implementation process, your U.S. Bank Relationship Manager and Technical Integration Manager will work closely with your organization to scope and document your mapper requirements. Mapper development typically takes six to eight weeks; the development schedule includes the following:

- 2.32.26.3.1 Your Relationship Manager engages a Technical Integration Manager to participate in the implementation meeting.
- 2.32.26.3.2 The Technical Integration Manager determines Maricopa County's file specifications and develops a specification document for review.
- 2.32.26.3.3 Once specifications are agreed upon the mapper is developed.
- 2.32.26.3.4 The mapper goes through Quality Assurance testing at U.S. Bank.
- 2.32.26.3.5 After thoroughly testing the importing of the mapper file into Maricopa County's financial system, Maricopa County will be asked to complete a final sign-off form indicating that the mapper is working properly according to the agreed-upon mapper specifications.
- 2.32.26.3.6 Once a cycle, the mapper file will be delivered to Maricopa County via the secure file exchange function of Access Online, called Data Exchange, and can be saved to a local or network drive.

2.32.26.4 Web Based Reconciliation Tools

The ideal solution will provide Web based reconciliation tools that permit accurate, fast, and flexible tools for this periodic process. Reconciliation tools for balancing should include a system in which disputed items are identified.

2.32.26.5 Reconciliation Assistance

U.S. Bank meets these requirements. Access Online delivers comprehensive functionality around the processing and management of Maricopa County's transactions in a real-time environment. Access Online functionality includes:
MCC allocation: a transaction management best practice that greatly streamlines the reconciliation process and reduces manual posting errors
User defined line items: functionality that is particularly helpful for those transactions that do not have level III data relayed by the merchant
A variety of cardholder reallocation options

Transaction lists and details are available on demand for the current and past six cycles. Program administrators can adjust reallocation parameters to meet their company's needs ranging anywhere from one to 199 days.

After cycle close, cardholders also have the ability to reallocate transactions to one or multiple accounting codes, including contract numbers if not captured at the original point of sale — including the option of splitting individual transactions by specific dollar or percent of transaction amounts.

2.32.26.6 Cardholders Can:

- Review individual transactions
- Reallocate transactions to different accounting codes
- Split transactions between multiple accounting codes
- Dispute transactions

2.32.26.7 Program Administrators Can:

- 2.32.26.7.1 Perform all actions available to cardholders
- 2.32.26.7.2 Tailor transaction management and financial extract controls
- 2.32.26.7.3 View and edit sales and use tax data that can be fed into Maricopa County's tax engine
- 2.32.26.7.4 Perform functions on behalf of the cardholders
- 2.32.26.7.5 Manage MCC groups and MCC allocation rules
- 2.32.26.7.6 Manage accounting code structures and views
- 2.32.26.7.7 Enable direct feeds of transactions to the company's general ledger and accounts payable systems

2.32.26.8 Transaction Approval Process

Automating the transaction review and approval process is an important aspect of any successful card program. Access Online provides a proven, customizable workflow that enables organizations to more effectively manage their overall card program and gain significant processing efficiencies.

By automating the transaction review and approval process, Maricopa County is able to monitor and drive program performance. Reviews and approvals can happen more quickly. In addition, a complete transaction audit trail becomes available and Maricopa County is able to monitor overall account activity in one convenient location.

When Maricopa County analyzes your transaction approval process you can begin to identify trends or areas for improvement that enable the organization to gain greater processing efficiencies, reduce file turn and ultimately achieve significant cost savings.

2.32.26.9 Accounting Code Validation

Access Online empowers Maricopa County to customize how accounting codes are managed and applied to purchasing card transactions. Access Online can dramatically reduce the administrative overhead associated with manually correcting invalid transaction allocations.

It gives Maricopa County the flexibility to:

- 2.32.26.9.1 Create multiple unique accounting code structures
- 2.32.26.9.2 Set distinct validation rules for different cardholder groups
- 2.32.26.9.3 Develop and populate valid value lists
- 2.32.26.9.4 Design and customize accounting code validation controls
- 2.32.26.9.5 Designate required fields for user input
- 2.32.26.9.6 Provide search functions for valid values

2.32.26.10 Order Management

Order Management gives clients access to a tool that enables order and financial data match/reconciliation to occur. Various eProcurement applications offer reconciliation functionality as part of their product offering; however, the processes these applications support are not always sufficient to meet all client needs. In addition, some eProcurement applications, including ERP eProcurement extensions, do not offer any reconciliation functionality. For these specific situations, Access Online Order Management is a viable, value-added alternative.

As an added advantage, Access Online allows our clients to manage transactions for both their traditional purchasing card program and their eProcurement transactions within one application.

Order Management includes the following high-level functionality:

- 2.32.26.10.1 Enhanced Standard Order Input File
- 2.32.26.10.2 Order File Load and Validation

- 2.32.26.10.3 File Receipt with acceptance and rejection notifications
- 2.32.26.10.4 Automated Matching based on match keys (PO# and CH Account #)
- 2.32.26.10.5 Matching multiple transactions (partial shipments) to one order
- 2.32.26.10.6 Automated Transaction re-allocation based on Order allocation(s)
- 2.32.26.10.7 Flagged exceptions (out of tolerance etc.) with reasons
- 2.32.26.10.8 Match order and transactions gross or net of taxes
- 2.32.26.10.9 Manage tolerances (% and/or \$) through EPE File and through TM Controls
- 2.32.26.10.10 Manual Matching of order to transaction and transaction(s) to order
- 2.32.26.10.11 System suggested best matches for manual matching
- 2.32.26.10.12 Enhanced search capabilities for orders and transactions
- 2.32.26.10.13 Enhanced data like order balancing, match identifiers, order fulfillment status, order source, duplicate order Indicators and order-transaction variance
- 2.32.26.10.14 Manual “suspension” of orders and ability to unmatched order from transaction and transactions from order

2.32.26.11 Dispute Process

As a best practice in the event of a dispute, U.S. Bank encourages clients to contact the merchant first. The majority of the time, disputed charges can be resolved this way, without having to undergo the full dispute process. However, when a full transaction dispute is necessary, U.S. Bank makes the process simple. We handle the process from initiation to resolution, and there is little to no paperwork required. Using Access Online, Maricopa County will save time by simply going online to initiate disputes, check the status of disputed transactions and run reports. The quick and easy resolution Maricopa County will experience with U.S. Bank will make this task manageable.

2.32.26.12 Dispute Initiation

Disputes may be initiated by phone or online. To initiate the process by phone, cardholders simply call the U.S. Bank Customer Service Center toll-free as soon as they become aware of the charge they wish to dispute. The cardholder is briefly interviewed to determine some basic dispute specifics.

To initiate the process in Access Online, the cardholder clicks the Dispute Transaction link on the Transaction Management page. The cardholder will be presented with a dispute reason checklist and, upon choosing a dispute reason, an electronic form will be provided requesting additional, specific information and informing the cardholder if additional documentation needs to be provided.

2.32.26.13 Dispute Management

Disputes initiated online or via telephone can be tracked in Access Online. All dispute data is updated daily. Through Access Online, users can:

- 2.32.26.13.1 View all disputed transactions electronically
- 2.32.26.13.2 View the current status of a dispute
- 2.32.26.13.3 Cancel a disputed transaction
- 2.32.26.13.4 Determine if a transaction has been disputed electronically

2.32.26.14 Dispute Billing

Once a transaction is in dispute, it is removed from the total due amount that appears on the card statement. Disputed amounts are not subject to finance charges, regardless of the final resolution decision.

2.32.26.15 Dispute Resolution Procedure

For disputes that can't be resolved immediately, the following sample timeline shows a typical series of events. This timeline is mandated by MasterCard regulations.

- 2.32.26.15.1 Day 1-5: Cardholder identifies questionable item on online statement and notifies U.S. Bank. Within 2-3 days a file is completed for each dispute. Within five business days, the file is assigned to a researcher.
- 2.32.26.15.2 Day 6-15: Researcher reviews the dispute request to identify MasterCard regulation governing the transaction. If required, the researcher orders a photo.
- 2.32.26.15.3 Day 16-30: Researcher receives cardholder authorization and reviews the file to determine if the charge is valid or invalid.
- 2.32.26.15.4 If a charge is found to be invalid, the researcher credits the cardholder account, charges the item back to the merchant bank and sends a letter to the cardholder notifying them of the dispute resolution.
- 2.32.26.15.5 If the charge is determined to be valid, the researcher removes the item from dispute and sends a letter to the cardholder notifying them of their responsibility to pay the charge.

2.32.26.16 Cardholder Notification

The cardholder will receive a letter in the mail notifying them of the dispute resolution, and whether or not they are responsible for payment of the charge.

2.32.26.17 Dispute Reporting

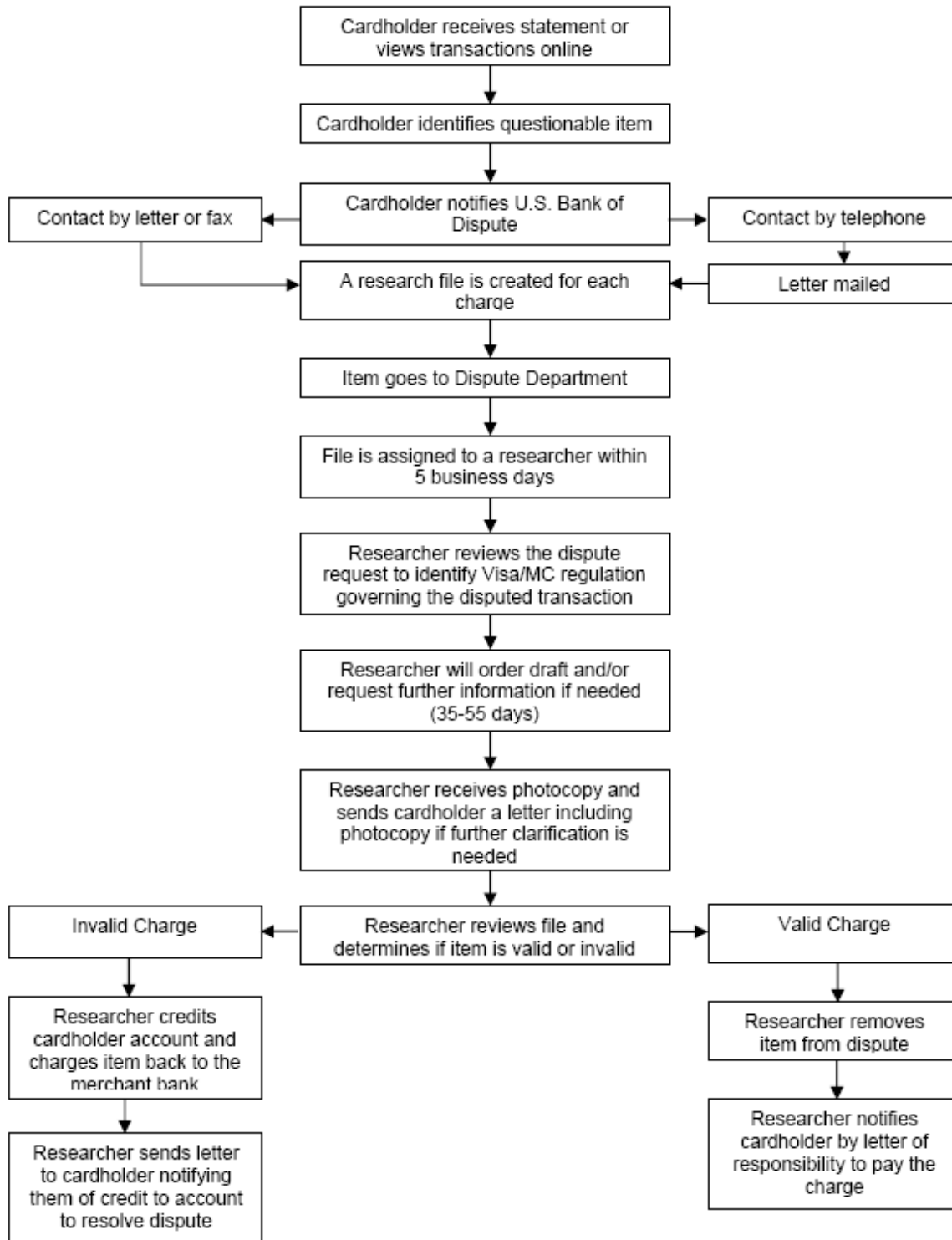
In Access Online, disputed transactions are marked with a “D” in order to easily identify transactions that are currently in the dispute process. To assist Maricopa County in effective Program Management, several reports can be run on disputed transactions:

Transaction Detail – Shows summary allocation information for a specific accounting code and provides specific transaction detail. The Transaction Detail report provides the following fields:

- 2.32.26.17.1 Disputed – shows whether the transaction has ever been disputed (Y/N)
- 2.32.26.17.2 Dispute Status
 - Unresolved
 - Resolved in cardholder favor
 - Resolved in merchant favor
- 2.32.26.17.3 Dispute Status Date – lists the date of the dispute resolution
- 2.32.26.17.4 Full Transaction and Order Detail – Fully details expenditures, including transaction, line item, order, account allocation and tax estimation information
- 2.32.26.17.5 Bill Transaction Analysis with Order Detail – Offers detailed and summary billed transaction information regarding the results of order and transaction matching

2.32.26.18 Dispute Timeline

U.S. Bank knows that resolving disputes in a timely manner is essential. That’s why we resolve 60% of all disputes on the first phone call, and 80% of all disputes are resolved within 30 days. Please refer to the process flow chart below for an illustration of our dispute process.



2.33 Web based Payment Tool

The system will be utilized to process transactions for payment which is dependent on the success of the legacy system interface. Transactions must be associated with an internal audit code and/or the reallocation accounting code for complete payment.

U.S. Bank meets this requirement, as Access Online ensures the accurate accounting allocation of Maricopa County's card transactions. The system not only facilitates the automatic identification and mapping of transactions to a general ledger account, but also empowers Maricopa County to customize how accounting codes are managed and applied to purchasing card transactions. Access Online can dramatically reduce the

administrative overhead associated with manually correcting invalid transaction allocations. Access Online provides Maricopa County the flexibility to:

- 2.33.1 Create multiple unique accounting code structures
- 2.33.2 Set distinct validation rules for different cardholder groups
- 2.33.3 Develop specific validation rules per accounting code segment including validate from a list of valid values and validate by numeric values
- 2.33.4 Design and customize accounting code validation controls
- 2.33.5 Accounting code validation involves effectively categorizing and identifying accounting code segments whose values have interdependencies. U.S. Bank defines an accounting code as a string of characters that consists of one or more segments. Access Online can accommodate accounting codes up to 150 characters in length and any number of segments up to that limit. The character string within each segment is used by the client's general ledger system to categorize and organize financial transactions. Transactions are typically categorized by:
 - 2.33.6 General ledger accounts/expense types and
 - 2.33.7 Organizational groups/cost centers
- 2.33.8 General ledger specific segments typically consist of a relatively static set of accounting codes that represent the different accounting categories put forth by Generally Accepted Accounting Principles. Examples of general ledger accounts include: shipping, office supplies and third party cost of goods sold.
- 2.33.9 Segments that are used to indicate which organizational group a transaction is allocated to usually include segments such as agency, department, location and project. Some clients refer to the compilation of these segments as a cost center. Please note that these are examples of segments that an organization may use and can vary greatly from company to company.

2.34 Functionality in Detail

- 2.34.1 Access Online Accounting Code Validation has been built by focusing on the separation and maintenance of multiple clusters of accounting code segments within a string. Maricopa County will be able to group accounting code segments that have interdependencies and maintain all of the valid combinations of these segments within a list of valid values.
- 2.34.2 Access Online Accounting Code Validation confirms that an accounting code used to allocate a transaction within Access Online is valid within the general ledger chart of accounts. It also verifies that a segment value and a combination of segment values are valid. For example, if Maricopa County has two segments within an accounting code string named location and project, and a cardholder reallocates a transaction to MPLS 1556, Access Online will be able to validate that:
 - 2.34.3 MPLS is a valid value for the Location segment
 - 2.34.4 1556 is a valid value for the Project segment
 - 2.34.5 MPLS and 1556 make a valid combination of segments
 - 2.34.5.1 Access Online Accounting Code Validation's main functional elements are built on accounting code structures, valid value lists and accounting validation controls.

2.35 Accounting Code Structures

- 2.35.1 As indicated, most clients have established accounting code structures that are used to map transaction data into their general ledger system. Access Online Accounting Code Validation is designed to accommodate any number of accounting code structures, enabling Maricopa County to seamlessly integrate your card program data into existing accounting systems with minimal effort.

2.36 Valid Values Lists

- 2.36.1 Valid Values Lists are lists of segment values, and associated information, which are used to validate the value of a specific segment. Each valid value list will be attached to only one

accounting code structure. The valid value list will contain all of the possible values for each accounting code segment that Maricopa County selects to be validated.

- 2.36.2 Maricopa County can update their valid value lists by uploading a tab delimited text file (flat file) via an administrative page within Access Online or updating their valid value list directly in Access Online. Maricopa County will have the option to either add or delete selected values from an existing valid value list or replace all existing values within a valid value list.
- 2.37 Accounting Validation Controls
 - 2.37.1 Accounting validation controls contain all of the validation rules that an administrator can set for each segment within the accounting code structure. Maricopa County can choose any one of the following validation controls per segment:
 - 2.37.2 Validate from List
 - 2.37.3 Validate Numeric
 - 2.37.4 Entry Required
 - 2.37.5 No Validation Needed (default)
 - 2.37.6 Access Online will allow Maricopa County to set up multiple distinct accounting validation controls to tailor validation rules per cardholder group. Access Online also provides detailed reporting options that enable Maricopa County to monitor the effectiveness of their accounting code validation program. This allows Maricopa County to clearly identify issues that may exist and quickly make adjustments when necessary.
 - 2.37.6.1 Access Online provides several robust and easy to use reallocation tools that assist cardholders in reallocating transactions to valid accounting codes. These tools include:
 - 2.37.6.2 Reallocation Worksheet – Consists of a spreadsheet-like user interface that Maricopa County can use to reallocate up to 25 transactions on a single page. Can be used separately from accounting code validation.
 - 2.37.6.3 Mass Reallocation – Enables Maricopa County to apply a common allocation or reallocation for up to 25 transactions. Can be used separately from accounting code validation.
 - 2.37.6.4 Search and Select Valid Values – Allows Maricopa County to search for a valid value by segment value or segment value description. This functionality will be available for all segments that validate from a valid value list.
 - 2.37.6.5 Accounting Code Validation on Reallocation – Shows the cardholder that a manually reallocated accounting code has been accepted. When cardholders reallocate a transaction, Access Online automatically verifies that the accounting code is valid.
 - 2.37.6.6 Detailed Error Messaging for Invalid Segment Values – Highlights any account code segments that have not properly mapped to the client’s general ledger.
- 2.38 Web based Archiving Tool
 - 2.38.1 The system should produce data files independent from the originating system for electronic storage retrieval.
 - 2.38.2 U.S. Bank meets this requirement.
 - 2.38.3 We can generate files of transaction data for archiving in many formats. Of those, the USBC1 format file contains all the transaction and merchant information we receive from MasterCard. Separate records are also included in the USBC1 format for supplemental data added in Access Online.
 - 2.38.4 Access Online Data Exchange is a web based system for secure storage and retrieval of files sent to and from U.S. Bank. Files generated for archiving are stored in Data Exchange for up to 60 days, or until a client requests they be deleted. Clients can download files from Data Exchange and store them using their own systems indefinitely. Also, clients can request extract files be re-generated up to six months from the statement date when a transaction occurred.
- 2.39 Web Based Program Administration data tracking Tool
 - 2.39.1 Cardholder profile data is accessible from the system. Cards can be ordered, cancelled, and card profiles can be maintained via the system. Card status reporting is available. In addition to the

standard provided card maintenance and reporting software, Web-enabled software shall be offered at no cost should the Public Agency desire an alternative.

- 2.39.2 U.S. Bank's web-based program management tool, Access Online, meets all of the above requirements in real time.

2.40 Stored Value Cards

- 2.40.1 Describe in detail your stored value/rechargeable card programs. Include all tools and controls that are different than the standard Procurement Card controls/tools.

2.40.1.1 If the county wishes to maintain a series of stored value cards with no cardholder name associated with a card, U.S. Bank cannot support the requirement of a re-loadable card. In this case, the county is utilizing the equivalent of a gift card to support the program. Gift cards, as defined by standard industry business practices, are not re-loadable.

2.40.1.2 If the county is open to utilizing the equivalent of a declining balance card for the program, U.S. Bank can support this requirement, providing that the county has the lead time to allow U.S. Bank to issue a card with the individual cardholder's name assigned to the card.

2.40.1.3 The benefits of a declining balance card over a stored value card include:

2.40.1.4 Float – No funds are tied up front in pre-loading the card

2.40.1.5 Cost – No fees are associated with card

2.40.1.6 Cash Access – Card may be set up for cash access

2.40.1.7 Reloadable – May be reloaded at county's convenience

2.40.1.8 Excellent tool for supplier incentives

A third option involves modifying the concept of our payroll card program to fit the requirements of the Stored Value initiative. The following will provide an overview of our AccelaPay Card concept.

2.40.2 U.S. Bank AccelaPay Card

2.40.2.1 U.S. Bank is a leader in the prepaid debit card market, having been one of the first of a small group of financial institutions to issue a MasterCard payroll card. U.S. Bank is currently the second largest issuer of MasterCard-branded prepaid cards in the United States. The U.S. Bank AccelaPay card program utilizes personalized prepaid cards that will provide Maricopa County with an efficient and cost effective method with which to electronically incent employees or suppliers

2.40.3 Program Overview

2.40.3.1 AccelaPay is a prepaid payment card designed to replace costly paper checks

2.40.3.2 AccelaPay is not a credit card; employees can access only the funds which have been deposited on the card by Maricopa County

2.40.3.3 Funds are deposited to the card via ACH in the same manner as direct deposit to a checking account

2.40.4 Cardholder Convenience

The U.S. Bank AccelaPay card is a personalized prepaid MasterCard-branded card, providing cardholders with worldwide access to their funds. Cardholders can:

2.40.4.1 Make purchases anywhere MasterCard Debit is accepted – over 25 million of locations worldwide

- 2.40.4.2 Make purchases anywhere Interlink PIN-based debit is accepted – 1.2 million locations in the United States. Many major merchants that accept Interlink also provide cash-back with purchase, providing additional free cash access locations for cardholders.
- 2.40.4.3 Withdraw cash (free of charge) at more than 5,000 U.S. Bank ATMs
- 2.40.4.4 Withdraw cash at MasterCard/PLUS®-branded ATMs – 1 million worldwide
- 2.40.4.5 Withdraw cash (free of charge) at banks and credit unions that process MasterCard transactions (not just U.S. Bank branches) – tens of thousands of branches nationwide

2.40.5 Card Enrollment

- 2.40.5.1 U.S. Bank will provide Maricopa County with two card enrollment processes; web-based and batch enrollment. After U.S. Bank has received the required employee information from Maricopa County, we will build corresponding AccelaPay cards and mail them directly to employees. Once produced, cards will be delivered within three to five business days via the U.S. Mail. U.S. Bank will provide Maricopa County with a specific ABA routing number & account number for each card to be initiated on the Maricopa County direct deposit payroll system.

2.40.6 Card Funding

- 2.40.6.1 Card funding is accomplished through Maricopa County's existing direct deposit transmission process via its current originating ACH bank. The funding process is identical to the process by which Maricopa County is currently depositing pay into employee checking or savings accounts. Funds will be available on the card by approximately 3:00 AM – 6:00 AM Central on the ACH effective date.

2.40.7 Customer Service

- 2.40.7.1 The AccelaPay program provides customer service – both live representatives and IVR – 24x7, 365 days a year, in English and in Spanish. Cardholders can also access their account information through the PIN-protected AccelaPay web site. The following tasks can be quickly performed by utilizing AccelaPay customer service: Account balance inquiry
 - 2.40.7.1.1 Recent transaction information
 - 2.40.7.1.2 Review statements (web only)
 - 2.40.7.1.3 Report the card lost or stolen (transfer to live representative)
 - 2.40.7.1.4 Card activation (IVR only)
 - 2.40.7.1.5 PIN selection (IVR and web only)
 - 2.40.7.1.6 PIN change (IVR and web only)
 - 2.40.7.1.7 Dispute a charge (transfer to live representative)

2.41 TRAINING:

The successful Contractor shall provide a minimum of 1. Online tutorial to a. establish card program, b. profile cardholders, c. order cards, d train cardholders, e train administrators.

Options such as, a. HELP Desk – technology and customer. b. Customer Service representative phone or in person to completely train County and Participating Public Agency personnel in the operation and maintenance of the proposed program.

Training will play a central role in the success of Maricopa County's program, both in terms of the level of participant satisfaction attained and the program's potential for growth. We provide a comprehensive training program that takes into account the multiple ways people learn. Your training will include the following key components:

- 2.41.1 Consultative program training
- 2.41.2 Electronic and instructor-led training
- 2.41.3 Program management resources
- 2.41.4 User events and forums

2.42 Consultative Program Training

2.42.1.1 One of the earliest phases in implementation involves your U.S. Bank Relationship Manager assessing the training needs of Maricopa County and customizing a plan that takes into account Maricopa County's culture and internal policies for training employees.

2.42.1.2 Training in earnest will begin as your Relationship Manager works with program managers and administrators, providing training in all aspects of our best practice approach to administering and growing a program, as well as providing train-the-trainer tools to ensure the appropriate messages and skills are transferred to cardholders.

2.42.1.3 The extent to which your U.S. Bank Relationship Manager will take a lead role in training Maricopa County's key players is a distinctive feature of our approach and in keeping with our commitment to industry-leading service and expertise. There is no substitute to the insight these experts can provide. Typical components of this training will include:

- Workflow design
- Limits and controls on spending and transactions
- Transaction management, approval, reconciliation
- MCC mapping, accounting code validation
- Cardholder administration
- Reporting requirements – standard and customized
- Supplier management
- System integration – ERP, EER, G/L
- Data exchange

At a high level, training is behind every interaction between U.S. Bank and Maricopa County. Our consultative approach is at the center of our effort to convey our institutional expertise in a manner most effective for Maricopa County.

Training will not stop once Maricopa County's program is implemented; ongoing training is a critical differentiator for U.S. Bank clients. Following are some of examples of the ways in which your U.S. Bank relationship management team will continue to train Maricopa County for program success:

2.42.1.4 Relationship Manager – Among the many ways in which your Relationship Manager will provide ongoing training are Partnership Plans, our comprehensive system of account review, which will serve to educate Maricopa County stakeholders in successful program management.

2.42.1.5 Account Coordinator – Our service offering is continually evolving, particularly in the case of Access Online, but this evolution is only relevant if clients are able to readily adopt enhancements. Your U.S. Bank Account Coordinator will proactively consult with Maricopa County about maximizing new program features.

2.42.1.6 Relevant Subject Matter Experts – Should a specific issue arise for Maricopa County that is beyond the scope of your relationship team, we will provide the experts with the necessary expertise for training in Maricopa County's unique needs.

2.42.1.7 Technology-based Training

We created our functionality-rich, online program management system, Access Online, in part to ensure that the system's design never sacrificed user ease. U.S. Bank provides all the training tools Maricopa County will need to get the most out of the system.

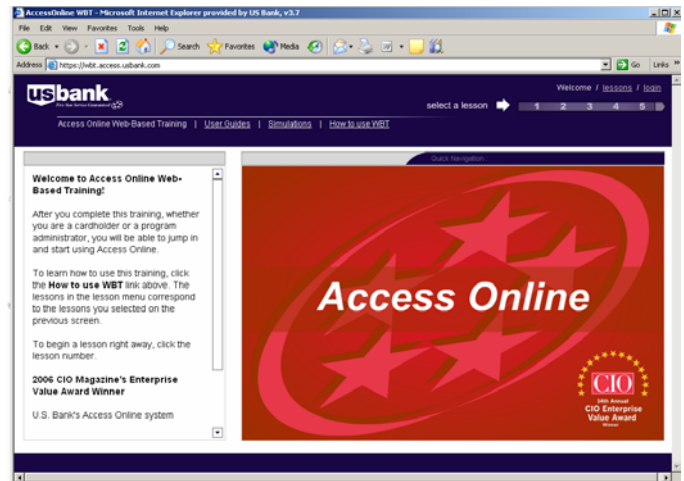
We offer both web conferencing – for targeted, instructor-led training – and self-paced training, via a web-based training tool. You can take advantage of the following tools and services at no cost.

2.42.1.8 Instructor-Led Training

U.S. Bank offers ongoing scheduled classes to our clients. Our instructor-led training is designed for program administrators and other managers. During each session, participants join a web conference to view the Access Online system on the Internet and dial in to a phone conference number to interact with the U.S. Bank trainer and other participants. Scheduled periodically throughout each month, these sessions walk program administrators step-by-step through the more complex functions for which they are responsible.

Program administrators and managers may attend classes as many times as they wish, whether as an introduction or a refresher. Classes are no more than ninety minutes in length, which allows for the trainer to introduce Access Online, provide specific training and take questions. Web conferencing allows users to view Access Online in a training environment that is similar to their own Access Online environment. Classes include:

- Transaction management (Reconciliation)
- Cost allocation
- Account setup and maintenance
- Account code validation
- Order management
- Reporting



2.42.1.9 Electronic, Self-paced, Web-based Training (WBT)

The Access Online WBT delivers a comprehensive and interactive customer training environment. Our self-paced, web-based training program allows users to work through Access Online training at their own convenience.

We have segmented the WBT by the multiple types of Access Online users: commercial cardholders, commercial program administrators, commercial approvers, government cardholders, government agency/program coordinators, government approvers, and government financial managers. Each user type has access to shared content as well as content that we have customized for that user type.

The system provides clear, screen-by-screen, step-by-step instruction on how to use the system. Overall, the training system is colorful, engaging and enjoyable to use. And since the WBT is structured into small, topical lessons, learners can pace their training (or review a lesson when necessary). Each lesson has a set of self-evaluation questions that let the user validate their understanding before moving on to the next lesson.

In addition to lessons, the WBT provides comprehensive, detailed, printable user guides for each topic and area of functionality, dozens of printable quick references that review essential steps for key tasks, guided and hands-on system simulations that let the user see how to perform a task in the system and then let the user practice the task, and recorded training sessions.

The WBT also allows users to register and then take a final exam after completing the lessons. Upon passing a lesson's final exam questions, the user can print and save a completion certificate. By using this feature, you can track which users have completed which WBT lessons, thereby ensuring that when users begin to use the live system, they are equipped and knowledgeable to perform their tasks.

2.43 Web Resources

During implementation, Maricopa County will be given a user ID and password to our Program Management Approach secure website. The site provides a convenient, readily-accessible resource for a wide variety of materials that have proven instrumental in the success of U.S. Bank client programs. Maricopa County users will be able to view and download training materials and templates. Tools such as a sample policy and procedures document, implementation guidebook, cardholder communications and necessary forms are provided at no cost. Users are given four main links to choose from:

- 2.43.1 Establishing Your Program
- 2.43.2 Managing Your Program
- 2.43.3 Forms and Data Specifications
- 2.43.4 Product Literature

2.44 User Events & Forums

The fourth component of our training approach aims to provide opportunities for Maricopa County to learn about our program solutions, share ideas/suggestions and hear best practice case studies through user events and forums. Your Relationship Manager will work with Maricopa County to determine the appropriate events and forums that will add value to Maricopa County's program.

- 2.44.1 Conferences
- 2.44.2 Summits
- 2.44.3 Best practice studies
- 2.44.4 Industry conferences
- 2.44.5 Trade shows

We understand the significant role that training will play in the success of Maricopa County's card program and will work with Maricopa County to create a customized approach that meets the unique training needs and objectives of your organization. Through our comprehensive, four-part approach to training, Maricopa County will experience a smooth implementation, gain a clear understanding of your program and have continuous access to resources to help grow and enhance the program in the future.

2.45 USAGE REPORT:

The Contractor shall furnish the County a quarterly usage report delineating the acquisition activity governed by the Contract. The format of the report shall be approved by the County and shall disclose the quantity and dollar value of each contract item by individual unit.

U.S. Bank will work with the county on the development of a report for supporting the tracking of the county's performance against contracts. U.S. Bank understands that Maricopa County's tracking of contract performance is geared toward suppliers where a B2B relationship exists and where supplier account numbers are normally utilized. We are confident under this scenario, the integration of our flex data reporting with your contract data base will provide the county with the tools necessary to support your contract management initiatives.

08071 EXHIBIT B-1, U.S. Bank Master Agreement

GOVERNS THE TERMS AND CONDITIONS OF CREDIT AND CARD ISSUANCE

This Master Agreement (the “**Agreement**”) is a multipurpose agreement for use in the United States and/or Canada. This Agreement governs the Commercial Card Programs, and if applicable, Global Commercial Card Program and is entered into, by and between U.S. Bank National Association ND (“**U.S. Bank USA**”) and/or U.S. Bank National Association (“**U.S. Bank Canada**”) (collectively, “**U.S. Bank**”) and the entity identified herein and executing this Agreement as “**Customer Canada**” and/or “**Customer USA**” (collectively, “**Customer**”). This Agreement shall become effective upon signing by or on the behalf of U.S. Bank (“**Effective Date**”) and supercedes any previous and like agreement(s) with Customer.

I. CREDIT PROVISIONS

A. Financial Information. Since the establishment of a Commercial Card Program is an extension of credit, Customer shall provide sufficient information to enable U.S. Bank to perform periodic credit reviews.

- 1 **Non-Publicly Traded Organizations.** If Customer is not listed on a recognized stock exchange in the United States or Canada, then Customer shall provide future audited financial statements, prepared by Customer’s independent certified public accountant, as soon as available and in any event not later than ninety-one (91) days after the end of each fiscal year of Customer. To the extent required by U.S. Bank to verify the credit worthiness of Customer, U.S. Bank is authorized by Customer to obtain credit or financial information with respect to Customer that may be held by third party sources. Customer agrees to provide to U.S. Bank, from time to time, such other information regarding the business, operations, affairs, and financial condition of Customer as U.S. Bank may reasonably request.
- 2 **Publicly Traded Organizations.** If Customer is listed on a recognized stock exchange in the United States or Canada, U.S. Bank shall obtain from publicly available sources, Form 10-K, as provided by Customer to the U.S. Securities and Exchange Commission, or the Annual Information Form, as provided by Customer to the Canadian Securities Administrators. To the extent required by U.S. Bank to verify the credit worthiness of Customer, U.S. Bank is authorized by Customer to obtain credit or financial information with respect to Customer that may be held by third party sources. Customer agrees to provide to U.S. Bank, from time to time, such other information regarding the business, operations, affairs, and financial condition of Customer as U.S. Bank may reasonably request.

B. Credit Limits and Credit Line. Based on the available financial information, U.S. Bank shall establish a Credit Limit for each Account and an aggregate Credit Line for all Accounts established pursuant to this Agreement.

- 1 **Revising the Credit Line.** U.S. Bank, at its sole discretion, shall have the right to revise the aggregate Credit Line for all Accounts. U.S. Bank shall provide notice to Customer of any decrease in the Credit Line that results in a revised Credit Line that is lower than the aggregate current amount outstanding on all Accounts. Upon such event, Customer shall have ten (10) days to make a payment to U.S. Bank on one or more Accounts that is sufficient to reduce the outstanding aggregate amount outstanding to an amount that is less than the revised Credit Line.
- 2 **Revising Credit Limits.** U.S. Bank, at its sole discretion, shall have the right to revise Credit Limits on individual Accounts.
 - a. **Customer Accounts.** U.S. Bank shall provide notice to Customer of any decrease in a Credit Limit that results in a revised Credit Limit that is lower than the current amount outstanding on the Account. Upon such event, Customer shall have ten (10) days to make a payment to U.S. Bank on the Account that is sufficient to reduce the outstanding amount outstanding for such Account to an amount that is less than the revised Credit Limit.
 - b. **Cardholder Accounts.** U.S. Bank, at its sole discretion, has the right to revise Credit Limits and/or limit spending activity on any Cardholder Accounts for which the Cardholder has sole and/or shared liability.
 - c. **Fraudulent Activity.** U.S. Bank may temporarily revise Credit Limits and/or limit spending activity on any Account for which fraudulent activity is suspected.

C. **ATM Access / Cash Advances.** Reserved.

D. **Convenience Checks (in Canada, “Convenience Cheques”).** Reserved.

II. U.S. AND CANADA COMMERCIAL CARD PROGRAMS

A. **Scope of Commercial Card Programs.** U.S. Bank U.S.A. is qualified to provide Commercial Card Programs in the United States and U.S. Bank Canada is qualified to provide Commercial Card Programs in Canada. Upon request of Customer and subject to approval by U.S. Bank, U.S. Bank may extend the Commercial Card Program beyond the United States and Canada to the extent permitted by Association regulations and applicable law. Customer’s Affiliates may participate under this Agreement upon execution of an applicable participation addendum, which must be executed by U.S. Bank, Customer and/or the participating Affiliate.

B. **Card Products.** U.S. Bank may provide the following Card Products to Customer and its Cardholders. The availability of Card Products may differ between the U.S. and Canada. Card Product availability and the Card Products for which Customer has been approved are specified in the applicable Country Addendum.

- 1 **U.S. Bank Purchase Card.** The U.S. Bank Purchase Card is a charge card designed for use by Cardholders to charge goods and services related to the business activities of Customer. U.S. Bank also provides central purchase accounts, which can be used for the same purpose, but without the issuance of a physical card.
- 2 **U.S. Bank One Card.** The U.S. Bank One Card is a charge card designed for use by Cardholders that combines Corporate and Purchase Card capabilities on a single Account. The One Card can be utilized for travel and entertainment related expenses as well as to charge goods and services related to the business activities of Customer.
- 3 **U.S. Bank Corporate Card.** Reserved.
- 4 **U.S. Bank Managed Spend Card.** Reserved.
- 5 **U.S. Bank Executive Card.** Reserved.

C. **Card and Account Issuance.** Customer shall designate to U.S. Bank Cardholders that are authorized to incur expenses on behalf of Customer during the term of this Agreement and who are to receive Cards and/or be issued Account numbers by submitting to U.S. Bank completed, duly authorized applications, in a format specified by U.S. Bank, such as through AccessOnline, including any applicable consents and/or authorizations from such Cardholders as may be required by the applicable local law, rule or regulation.

- 1 **Credit Checks.** With respect to any such application, U.S. Bank reserves the right, at its sole cost and expense and to the extent permitted by applicable law, to conduct a credit check on any Cardholder who may have sole and/or shared liability for any Debt incurred under this Agreement.
- 2 **Exclusion.** U.S. Bank shall have the right to reject any Cardholder application in which the Cardholder may have sole and/or shared liability for any Debt incurred under this Agreement.
- 3 **Card Delivery.** Unless Customer notifies U.S. Bank to the contrary, U.S. Bank shall issue Cards and/or Accounts directly to Cardholders.

D. **Billing and Payment.** U.S. Bank provides a variety of billing options. The availability of billing options may differ between the U.S. and Canada and between Card Products. Billing option availability and the billing options for which Customer has been approved is specified in the applicable Country Addendum. Depending on the billing option referenced in the applicable Country Addendum, Customer or Cardholder shall pay the amount due on the Statement by the Due Date.

- 1 **Individual Bill.** Reserved
- 2 **Central Bill.** Each Transaction is either posted to a Cardholder Account and rolled up to a Central Account for billing or billed directly to a Central Account. Customer will receive one or more central account Statements at the conclusion of each Billing Cycle for all Cardholder and/or Central Account Transactions. With respect to Transactions posted to a Cardholder Account and rolled up to a Central Account, the Cardholder receives a memo Statement showing his/her respective Transactions but with no amount due. Customer receives a consolidated Statement, which includes the total amount due for all Cardholder Accounts and Central Accounts and is responsible for ensuring the balance due on the Statement is paid by the Due Date.
- 3 **Billing Disputes.** Billing disputes must be communicated in writing to U.S. Bank at the address specified in the applicable Country Addendum or the address provided on the Statement. U.S. Bank must receive written

communication of a dispute within sixty (60) days of the date on the Statement on which the disputed or allegedly incorrect Transaction first appeared. Association regulations govern the resolution of all billing disputes.

- 4 **Merchant Category Disclaimer.** Upon request by Customer, U.S. Bank may either prevent or restrict usage of its Card Products to selected merchants based on Merchant Category Code. To the extent this is requested, the following disclaimers apply:
 - a. **Limitation of Liability.** U.S. Bank can only enforce Merchant Category Code restrictions to the extent it receives accurate Merchant Category Code data with the Transaction authorization request. U.S. Bank has no liability for Transactions declined or approved contrary to the intent of Customer.
 - b. **Incorrect Merchant Category Codes.** To the extent Customer believes a merchant has not been assigned an accurate Merchant Category Code, U.S. Bank will advise the Association of the inaccuracy. Whether or not the Merchant Category Code is changed is dependent upon applicable Association regulations.
- 5 **Trailing Transactions.** Upon cancellation of an Account, the Customer and/or Cardholder must cancel the billing of all reoccurring Transactions to the Account.

E. Liability. U.S. Bank provides a variety of liability options. The availability of liability options may differ between the U.S. and Canada and between Card Products. Liability option availability and the liability option(s) for which Customer has been approved is/are specified in the applicable Country Addendum.

- 1 **Corporate Liability.** Customer is solely liable to U.S. Bank for all billed Transactions.
- 2 **Joint and Several Liability.** Reserved.
- 3 **Contingent Liability.** Reserved.
- 4 **Liability Exceptions.** Customer may be liable for all billed Transactions, regardless of liability option specified in the applicable Country Addendum, in the following circumstances:
 - a. **Commercial Card Programs Outside the United States and Canada.** To the extent U.S. Bank provides Commercial Card Programs offered under this Agreement beyond the United States and Canada, Customer shall be liable for all Transactions incurred in connection with such Accounts.
 - b. **Failure to Notify; Liability Exceptions.** Customer shall immediately notify U.S. Bank by telephone at the number provided in the applicable Country Addendum of any of the following:
 - (i) Termination of employment of any Cardholder and/or Program Participant;
 - (ii) Any lost or stolen Card for which the Customer has liability;
 - (iii) Any compromised Account for which the Customer has liability; or
 - (iv) Any compromised information regarding Cards, Accounts and/or other sensitive data including, but not limited to, Account numbers, personal identification numbers, passwords, or Cardholder information.

Customer shall provide sufficient information as may be requested by U.S. Bank for U.S. Bank to act on such notifications. Failure of Customer to provide notification may result in Customer's liability to pay for all Transactions on such Cards and/or Accounts notwithstanding any liability option specified in the applicable Country Addendum. Liability is limited to period of time from when notification should have been received to when notification is actually received and only for those Transactions that U.S. Bank cannot either charge back to the merchant or collect directly from the Cardholder.

F. Delinquency. If the amount shown on the Statement as the current amount due has not been paid to U.S. Bank by Customer and/or the Cardholder by the Due Date, U.S. Bank shall have the following rights:

- 1 **Suspension.** U.S. Bank shall have the right to suspend any Account that is delinquent for a period exceeding two (2) Billing Cycles.
- 2 **Cancellation.** U.S. Bank shall have the right to cancel any Account that is delinquent for a period exceeding three (3) Billing Cycles.
- 3 **Late Fees.** U.S. Bank shall have the right to bill Late Fees on all delinquent Accounts, as specified in the applicable Country Addendum.
- 4 **Collection Fees.** U.S. Bank shall have the right to recover any reasonable legal fees and/or other expenses incurred in collecting any delinquent amount on a cancelled Account.

III. SECURITY AND CONFIDENTIALITY

A. Security. U.S. Bank, Customer and its Affiliates and Participants shall safeguard information regarding Cards, Account numbers, passwords, personal identification numbers, and other sensitive information provided by U.S. Bank in a manner that is no less stringent than those applicable to each Party's own

proprietary information. Each Party will utilize each Party's respective industry standards to maintain an appropriate information security program to prevent the unauthorized disclosure, misuse, alteration, or destruction of Confidential Information.

B. Confidentiality. The Parties agree to the following provisions regarding the use and disclosure of Confidential Information:

1. **Confidential Information.** For purposes of this Agreement, "Confidential Information" means information supplied by one Party ("Disclosing Party") to the other Party ("Recipient") that is expressly or implicitly protected from unrestricted use by persons not associated with Disclosing Party.
 - a. **U.S. Bank Confidential Information.** U.S. Bank and Customer agree that the Commercial Card Program and/or Global Commercial Card Program is a unique service involving the exchange of proprietary and/or Confidential Information between the Parties. Customer agrees that Commercial Card Program and/or Global Commercial Card Program reports, manuals, documentation, and related materials shall be circulated by it only to the extent necessary for Customer, its Affiliates and Participants to manage the Commercial Card Program and/or Global Commercial Card Program and/or use such information in connection with Customer's business.
 - b. **Customer Confidential Information.** U.S. Bank and Customer agree that any non-public financial information of Customer and any non-public data regarding Customer Accounts, Transactions, charges, spending volume or repayment terms is Confidential Information of Customer and such information shall be circulated by U.S. Bank only to the extent necessary for U.S. Bank to offer the Commercial Card Program and/or Global Commercial Card Program.
 - c. **Other Confidential Information.** The Parties agree that the terms of this Agreement, including, but not limited to any pricing, rebate or related terms constitute Confidential Information.
2. **Restriction.** Customer and U.S. Bank agree to take all reasonable steps to safeguard the other Party's proprietary and Confidential Information and not to release such information to any person or Party not essential to participation in the Commercial Card Program and/or Global Commercial Card Program.
3. **Care.** The Recipient shall provide the same care to avoid an unauthorized disclosure, misuse, alteration or destruction of Confidential Information of the Disclosing Party as it provides to protect its own similar proprietary information, but in no event, less than a reasonable standard of care.
4. **Relief.** Because damages may be difficult to ascertain, the Parties agree that in the event of any violation of III.B, without limiting any other rights and remedies of each other, an injunction may be sought against the Party who has breached or threatened to breach the aforementioned Section.
5. **Exceptions.** With respect to Confidential Information, U.S. Bank and Customer agree that the other may use and disclose such information for the following purposes:
 - a. **Normal Business Operations.** U.S. Bank and Customer may use and disclose such Confidential Information of the other as is required by normal business operations in connection with the Commercial Card Programs and as may be required by Association Operating Regulations.
 - b. **Legal and Regulatory Requirements.** U.S. Bank and Customer may use and disclose Confidential Information of the other to legal authorities, agents, auditors or regulators of U.S. Bank and Customer, respectively, or as otherwise may be required by law, rule or regulation.
 - c. **Summarized Data.** U.S. Bank and Customer may use and disclose Data to any Person or third party to the extent that such Data is aggregated, summarized, or otherwise presented in a manner that does not directly or indirectly identify such Data as attributable to U.S. Bank, Customer, its Affiliates, and/or Cardholders.
 - d. **Archived Data.** U.S. Bank and Customer are entitled to retain Confidential Information of the other for archival purposes as required in accordance with applicable law, rule or regulations.
 - e. **Third Parties.** Customer acknowledges that portions of its Account and Transaction data are captured by third parties, including, but not limited to the Associations, third-party service providers, merchants, and merchant processors, during the course of normal business operations and that the confidentiality provisions of this Agreement do not extend to such third parties.

IV. TERM AND TERMINATION

- A. **Term.** This Agreement shall remain in effect for the term of the Contract (08071-RFP) for each Card Product and/or Ancillary Service selected, as indicated on Schedule 1 of the applicable Country Addendum (EXHIBIT B-2) and shall continue thereafter for each Card Product and/or Ancillary Service selected until terminated by either Customer or U.S. Bank upon ninety (90) days prior written notice to the non-terminating Party.
- B. **Termination for Cause by Either Party.** Either Party shall have the right to immediately terminate this

Agreement with respect to any Card Product and/or Ancillary Service provided under the applicable Country Addendum, or immediately terminate this Agreement in its entirety, by providing written notice of such termination to the other Party, upon one or more of the following events:

1. Dissolution or liquidation of the other Party, or Parent thereof, if applicable;
2. Insolvency of, the filing of a bankruptcy or insolvency proceeding with respect to, or the appointment of a receiver or trustee for the benefit of creditors of, the other Party, or Parent thereof, if applicable or the other Party enters into any other similar proceeding or arrangement for the general benefit of its creditors;
3. Any failure to perform a material obligation of this Agreement that is not cured within thirty (30) days of receiving notice from the non-breaching Party;
4. If any material statement, representation or warranty of a Party, its affiliates or Parent at any time furnished to the other Party is untrue in any material respect when made;
5. A material breach of any other agreement entered into by the Parties.

C. Termination for Cause by Customer. Customer shall also have the right to terminate this Agreement with respect to any Card Product and/or Ancillary Service provided under the applicable Country Addendum, or terminate this Agreement in its entirety, by providing ten (10) days prior written notice of such termination to U.S. Bank upon one or more of the following events:

1. U.S. Bank's reduction of Customer's Credit Line and/or Credit Limits, as defined in Section I. B., has materially and adversely affected Customer's utilization of any Card Product or the Commercial Card Program.
2. U.S. Bank's failure to reasonably perform in accordance with a material term of any written proposal and/or presentation provided to Customer by U.S. Bank in contemplation of this Agreement, provided that:
 - a. Customer has worked with U.S. Bank to develop a sixty (60) day action plan to ensure U.S. Bank's performance materially complies with any aforementioned proposal and/or presentation; and
 - b. U.S. Bank has failed to successfully complete all deliverables agreed to in the action plan.

D. Termination for Cause by U.S. Bank. U.S. Bank shall also have the right to terminate this Agreement with respect to any Card Product and/or Ancillary Service provided under the applicable Country Addendum, or terminate this Agreement in its entirety, by providing ten (10) days prior written notice of such termination to Customer upon one or more of the following events:

1. Customer merges, sells or otherwise transfers all or substantially all of its assets that causes a material change to Customer's business and/or financial condition.
2. A material adverse change in the business prospects or financial condition of the Customer.
3. The overall relationship is unprofitable for U.S. Bank, provided that:
 - a. U.S. Bank has worked with Customer to develop a sixty (60) day action plan to return the relationship to profitability; and
 - b. Customer has failed to successfully complete all deliverables agreed to in the action plan.

E. Effect of Termination. Upon termination of this Agreement with respect to any Card Product and/or Ancillary Service provided under the applicable Country Addendum, or termination of this Agreement in its entirety, all applicable Cards, Accounts, and/or related services shall be deemed canceled as referenced in such termination notification and shall be effective upon notification of termination to the other Party as referenced herein. Upon termination, Customer shall instruct all Cardholders to destroy their Cards and/or any records of Account numbers. U.S. Bank shall terminate all applicable services thereunder upon a stated termination date. Customer shall remain liable for all Debts arising from the use of a Card and/or Account prior to the termination date, in accordance with the liability options in the applicable Country Addendum.

F. Surviving Rights. Rights, obligations and/or liabilities that arise prior to the termination of this Agreement with respect to any Card Product and/or Ancillary Service provided under the applicable Country Addendum, or termination of this Agreement in its entirety, shall survive any such termination.

V. OTHER TERMS AND CONDITIONS

- A. Intellectual Property.** Customer and U.S. Bank each recognizes that it has no right, title or interest, proprietary or otherwise, in or to the name or any logo, or Intellectual Property owned or licensed by the other. Customer and U.S. Bank each agree that, without prior written consent of the other, it shall not use the name, any logo, or Intellectual Property owned or licensed by the other.
- B. No Third Party Beneficiaries or Claims.** Any Commercial Card Program and/or Global Commercial Card Program provided to Customer by U.S. Bank is for the sole and exclusive benefit of Customer and no other persons or organizations shall have any rights and/or remedies arising under or in connection with this Agreement.
- C. Indemnification.** Except as otherwise provided herein and/or expressly provided to the contrary in any Country Addendum, the Parties' indemnification obligations under this Agreement are as follows:
- 1 **Customer and U.S. Bank Indemnification.** Customer and U.S. Bank shall indemnify and hold the other harmless against all losses, damages, costs, expenses and liability that may directly result from (i) the gross negligence or willful act or omission of Customer or U.S. Bank, or each Party's representatives, successors or permitted assigns, or (ii) any breach by Customer or U.S. Bank of any material provision of this Agreement that is not cured by such Party within sixty (60) days of the breaching Party's receipt of written notice from the non-breaching Party of such breach, except to the extent that any such losses, damages, costs, expenses and liability is due or attributable to the gross negligence or willful acts or omissions of the non-breaching Party, or its Affiliates or Participants.
 - 2 **Intellectual Property Indemnification.** Except to the extent that injury is due to the other Party's negligent or intentional acts or omissions, each Party shall indemnify and hold the other Party harmless against third-party demands, claims, suits, or proceedings alleging infringement of any Intellectual Property of such Party arising out of or incidental to this Agreement.
- D. Limitation of Liability.** NEITHER CUSTOMER, U.S. BANK, NOR ANY PARTY'S AFFILIATES, REPRESENTATIVES AND ASSIGNS SHALL IN ANY EVENT BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, SPECIAL, INDIRECT, OR PUNITIVE DAMAGES OF ANY NATURE (INCLUDING LOST PROFITS) EVEN IF SUCH PARTY HAD BEEN NOTIFIED OF THEIR POSSIBLE EXISTENCE.
- E. Representations and Warranties.** Each Party represents and warrants with respect to such Party that:
- 1 This Agreement constitutes a valid, binding and enforceable agreement;
 - 2 The execution of this Agreement and the performance of the obligations hereunder are within such Party's powers; have been authorized by all necessary action; do not require action by or approval of any governmental or regulatory body, agency or official; and do not constitute a breach of any material agreement of such Party;
 - 3 The execution of this Agreement and the performance of the obligations hereunder shall not cause a material breach of any duty arising in law or equity; and
 - 4 As of the date of this Agreement, such Party possesses the financial capacity to perform all of its obligations under this Agreement.
- The Parties agree that the failure of any of the above representations and warranties to be true during the term of this Agreement shall constitute a material breach of this Agreement and the non-breaching Party shall have the right to terminate this Agreement in accordance with Section IV.B.3. EXCEPT AS EXPRESSLY PROVIDED HEREIN, U.S. BANK MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND OF MERCHANTABILITY, EITHER TO CUSTOMER OR TO ANY OTHER PERSON OR THIRD PARTY, WITH RESPECT TO THE COMMERCIAL CARD PROGRAM OR THE GLOBAL COMMERCIAL CARD PROGRAM PROVIDED BY U.S. BANK OR ITS REPRESENTATIVES OR WITH RESPECT TO SOFTWARE SERVICES PROVIDED OR MADE AVAILABLE TO CUSTOMER OR ANY OTHER PERSON FOR ITS USE BY U.S. BANK IN CONNECTION WITH THIS AGREEMENT AND ANY SERVICE THEREUNDER.
- F. Precedence of Terms and Conditions.** Unless expressly agreed in writing by the Parties, in the event of a conflict or inconsistency between the applicable Country Addendum and the Master Agreement, the applicable Country Addendum shall prevail to the extent necessary to remove the conflict or inconsistency.

- G. Modification or Amendment.** This Agreement shall not be modified or amended except by writing and signed by both Customer and U.S. Bank.
- H. Severability.** Should any provision of this Agreement be declared invalid for any reason, such declaration shall not affect the validity of any other provision of this Agreement, which shall remain in full force and effect as if this Agreement had been executed with the invalid provision(s) eliminated. The Parties shall use their commercially reasonable efforts to agree upon a valid substitute provision in accordance with the purpose of this Agreement and the intent of the Parties.
- I. Non-Waiver.** The failure of U.S. Bank or Customer to exercise any right, power or option arising under this Agreement, or to insist upon strict compliance with the terms of this Agreement shall not constitute a waiver of this Agreement with respect to any other or subsequent breach hereof, nor a waiver by either of U.S. Bank or Customer of its rights at any time thereafter to require exact and strict compliance with all the terms hereof.
- J. Binding Effect and Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns; provided, however, that this Agreement may not be assigned by Customer or its Affiliates without the prior written approval of U.S. Bank.
- K. Interpretation of this Agreement.** The Parties expressly agree that this Agreement shall not be construed more strongly against either Party regardless of which Party is more responsible for its preparation. This Agreement constitutes the entire agreement between the Parties concerning the matters addressed in this Agreement, and cancels and supersedes any prior agreements, undertakings, declarations or representations, written or verbal, in respect thereof. Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa, words importing any gender include all genders and references to agreements and other contractual instruments shall be deemed to include all present or future amendments, supplements, restatements or replacements thereof or thereto. Headings are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- L. Notice and Communication.** Except with respect to notices relating to the status of individual Cards and/or Accounts, all notices, requests and other communications provided for hereunder must be directed to the other Party at the respective addresses indicated in the applicable Country Addendum and, unless otherwise specified herein, must be in writing, postage prepaid or hand delivered. Either Party may, by written notice to the other, change its address indicated on such Country Addendum.

VI. DEFINITIONS

- A. Definitions.** All capitalized terms used in this Agreement are defined herein and shall have the following meaning:
- 1 “**Account**” means any account established by U.S. Bank pursuant to this Agreement in the name of Customer, its Affiliates, Participants and/or Cardholders, to which Debt is charged, regardless of whether or not a Card is issued in conjunction with such account.
 - 2 “**Affiliate**” means, in respect of any Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the Person specified.
 - 3 “**Ancillary Services**” means any additional services offered in conjunction with an Account, including but not limited to Cash Advances and Convenience Checks.
 - 4 “**Association**” shall mean, collectively, the Persons who govern commercial card issuance, including, without limitation, Visa USA, Inc., Visa Canada Association, and Visa International Service Association, Inc., MasterCard USA, and MasterCard International.
 - 5 “**Billing Cycle**” means the period of time from which a Statement is generated unit the next Statement is generated.
 - 6 “**Card**” means, in connection with an Account, any commercial charge card issued by U.S. Bank pursuant to this Agreement in the name of Customer, its Affiliates, and/or Cardholders.
 - 7 “**Cardholder**” means an individual employee of Customer and/or its Affiliates, named as the holder of the Account or using the Account in the name of Customer and/or its Affiliates, regardless of whether a physical card is issued in conjunction with the Account.
 - 8 “**Cardholder Agreement**” means the U.S. Bank Cardholder agreement in standard form between U.S. Bank and the Cardholder.
 - 9 “**Card Products**” shall refer to the standard U.S. Bank commercial card product offerings, including

- but not limited to the Purchase Card, Corporate Card, Managed Spend Card, Executive Card and One Card.
- 10 **“Cash Advance”** means an advance of cash, in the form of cash or check, that, if permitted according to the terms of this Agreement, is charged to an Account.
 - 11 **“Cash Advance Fee”** means the fee charged by U.S. Bank for a Cash Advance according to the terms of the applicable Country Addendum.
 - 12 **“Central Account”** means any Account used for consolidating Transactions from one or more other Accounts for billing purposes. This includes, but is not limited to “Central Travel Accounts”, “Central Managed Spend Accounts” and “Central Purchase Accounts”.
 - 13 **“Charge”** shall be defined as any transaction posted to an Account that has a debit value, including without limitation, Purchases, Cash Advances, and Fees.
 - 14 **“Charge-off”** means any amount due and owing that remains unpaid for one hundred fifty (150) days after the date that it was first billed.
 - 15 **“Commercial Card Program”** means the Card Products and Ancillary Services offered by U.S. Bank USA, U.S. Bank Canada, or a Participating Bank.
 - 16 **“Control”** or **“Controlled”** means, with respect to a Person, the possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or partnership, membership or other ownership interests, by contract or otherwise) of such Person.
 - 17 **“Convenience Checks”** (in Canada, **“Convenience Cheques”**) means the drafts drawn against an Account by the Cardholder for Purchases.
 - 18 **“Credit Limit”** means, with respect to an Account, the maximum amount of Debt that can remain outstanding and unpaid on an Account.
 - 19 **“Credit Line”** means, with respect to all Accounts, the maximum aggregated amount of Debt that can remain outstanding and unpaid on all Accounts belonging to Customer.
 - 20 **“Data”** means the information regarding or in connection with Accounts and/or Transactions associated with the Commercial Card Program and/or any such information provided by a Lead and/or Participating Bank associated with the Global Commercial Card Program.
 - 21 **“Debt”** means all amounts charged to an Account including without limitation all amounts related to Charges that are owed to U.S. Bank by Customer, its Affiliates, Participants, and/or Cardholders.
 - 22 **“Due Date”** means, with respect to a Statement, the date, as measured by the number of days after the Statement Date, for which the payment of Debt that is listed on the Statement is due.
 - 23 **“Late Fee”** means the fees associated with any Debt that remain unpaid to U.S. Bank by Customer, its Affiliates, Participants, and/or Cardholders after the Due Date on the Statement.
 - 24 **“Fees”** means all fees that are posted to an Account and due and payable to U.S. Bank by Customer, its Affiliates, Participants, and/or its Cardholders that are associated with any Commercial Card Program and/or Global Commercial Card Program, including but not limited to Cash Advance, Foreign Transaction and Late Fees.
 - 25 **“Foreign Transaction Fee”** means the fee U.S. Bank charges on the amount of any Debt or other Transaction posted to an Account that is not in the same currency in which the Account is billed and which must be converted to the currency used for billing purposes.
 - 26 **“Fraudulent Charges”** mean those Charges which are not initiated, authorized or otherwise requested by Customer, its Affiliates, and/or a Cardholder by any means (electronic, telephonic or written) and do not directly or indirectly benefit Customer, its Affiliates, and/or a Cardholder.
 - 27 **“Intellectual Property”** or **“Intellectual Property Rights”** means any patent rights, copyrights, trade secrets, trade names, service marks, moral rights, know-how and any other similar rights or intangible assets recognized under any laws or international conventions, and in any country or jurisdiction in the world, as intellectual creations to which rights of ownership accrue, and all registrations, applications, disclosures, renewals, extensions, continuations or reissues of the foregoing now or hereafter in force.
 - 28 **“MasterCard”** means MasterCard[®] USA, Inc., MasterCard International, and any other MasterCard entity identified in any Country Addendum.
 - 29 **“Master Agreement”** or **“Agreement”** means this master Commercial Card Program agreement between U.S. Bank and Customer and all attachments hereto.
 - 30 **“Merchant Category Code”** means the code established by the Associations that identifies and classifies goods or services offered by a merchant. Each merchant designates its Merchant Category Code to the applicable Association.
 - 31 **“Parent”** means any Person that Controls a Party.
 - 32 **“Party”** means any one of U.S. Bank USA, U.S. Bank Canada, Customer or Customer Canada and **“Parties”** means U.S. Bank USA and/or U.S. Bank Canada and Customer and/or Customer Canada.

- 33 **“Past Due Balance”** means, with respect to a Statement, the total amount of any Debt which remains unpaid to U.S. Bank by Customer, its Affiliate and/or Cardholder after the Due Date specified on such Statement.
- 34 **“Participant”** means any entity designated by Customer to participate in the Commercial Card Program and have access to program materials.
- 35 **“Person”** means any corporation, company, limited liability company, general partnership, limited partnership, limited liability partnership, unincorporated association, trust, joint venture, estate or other judicial entity or any governmental body.
- 36 **“Program Administrator”** means the employee designated by Customer to serve as the primary point of contact between Customer and U.S. Bank and shall be trained and have thorough knowledge of Commercial Card Programs offered by U.S. Bank to Customer.
- 37 **“Purchase”** means a purchase of goods and/or services that is charged to an Account.
- 38 **“Statement”** means, with respect to one or more accounts, a periodic billing Statement from U.S. Bank listing all Transactions posted to such Accounts.
- 39 **“Reserved”** is used as a place holder in this document for future services if requested by the County.
- 40 **“Summary Statement”** means, with respect to one or more accounts, a billing Statement that provides only an aggregate amount of all Transactions posted to such Accounts.
- 41 **“Transaction”** means any activity posted to an Account, both debit and credits, including but not limited to Purchases, Cash Advances, Fees and payments.
- 42 **“Visa”** means Visa[®] USA, Inc., Visa Canada Association, Visa International Service Association, Inc. and any other Visa entity identified in any Country Addendum
- 43 **“VMNC Program”** means the Visa multinational commercial card program, a program offered by Visa and other financial institutions issuing Visa commercial cards that is designed to support multinational entities by providing commercial cards, data consolidation, and related support.

**08071 EXHIBIT B-2, U.S. Bank United States Country Addendum
GOVERNS THE TERMS AND CONDITIONS OF CREDIT AND CARD ISSUANCE**

- A. Applicability and Scope of this Addendum.** The United States Country Addendum (“**U.S. Country Addendum**”) is incorporated by reference and modifies, to the extent applicable, the terms and conditions of the Master Agreement between U.S. Bank USA and Customer USA. The terms and conditions of this U.S. Country Addendum are only applicable to U.S. Bank USA and Customer USA with respect to the Commercial Card Program provided by U.S. Bank USA to Customer USA in the United States. All capitalized terms used herein that are not defined herein have the meaning ascribed thereto in the Master Agreement.
- B. Primary Provider.** The Parties acknowledge and agree that U.S. Bank USA shall be the primary provider to Customer USA of the Card Products and Ancillary Services set forth in U.S. Schedule 1.
- C. United States Commercial Card Program and Card Issuance.** U.S. Bank USA has approved Customer USA for the Commercial Card Program in the United States and shall provide the products and options indicated in U.S. Schedule 1. Customer USA shall designate to U.S. Bank USA proposed employees who are anticipated to incur expenses on behalf of Customer USA and who are to receive Accounts, with or without Cards, by submitting completed, duly authorized applications, in a format specified by U.S. Bank USA, and with any applicable consents or authorizations from such Cardholder applicant as may be required herein or in such applications. If an Account is used for Purchases or to obtain cash in a country other than the United States, the Statement shall reflect the conversion into U.S. Dollars of Transactions that occurred in a different currency and an applicable exchange rate for any such conversion.
- D. USA PATRIOT Act.** In order to comply with the requirements of the USA PATRIOT Act, U.S. Bank USA may require Customer USA, its Affiliates and/or Cardholders to provide their legal entity name, street address, taxpayer identification number and other information that will allow U.S. Bank USA to identify each Customer, Affiliate and/or Cardholders prior to establishing an Account under or in connection with the Master Agreement. U.S. Bank USA reserves the right to require that Customer, its Affiliates and/or Cardholders promptly provide to U.S. Bank USA sufficient identification documents upon request and in connection with USA Patriot Act compliance.
- E. Governing Law.** Except as provided to the contrary herein, the law of the State of North Dakota and applicable federal laws and regulations of the United States shall apply to all Commercial Card Program services provided by U.S. Bank USA. Notwithstanding the foregoing, the laws of the State of Minnesota and applicable federal laws and regulations of the United States shall govern Software Services provided to Customer USA under this U.S. Country Addendum.
- F. Interchange Rate.** U.S. Bank predicates the pricing contained in Schedule 1 and 2 of this U.S. Country Addendum on the industry business model used to regulate interchange rates. Should a material change in the industry business model occur either in the 1) interchange rates (from those rates in effect as of the Commencement Date of this Agreement) or 2) regulation of such interchange rates, U.S. Bank shall have the right to negotiate a new offering with Customer. If the parties cannot reach an agreement on the new offering, either Party may terminate this Agreement upon sixty (60) days prior written notice.
- G. Other Agreements and Regulations.** In addition to this U.S. Country Addendum, the products and services provided to Customer USA are subject to the following additional agreements and/or regulations:
- 1 **Clearing House Operating Regulations.** Any applicable automated clearinghouse operating rules, including, without limitation, the National Automated Clearing House Association Operating Rules and Guidelines (collectively referred to as the “**NACHA Rules**”);
 - 2 **Association Operating Regulations.** Association operating rules and regulations, including, without limitation, Visa USA, Visa International, MasterCard USA, and MasterCard International; and
 - 3 **Cardholder Agreement.** Each Cardholder may receive a Cardholder Agreement that governs the use of the Account. Activation of the Card or Account by the Cardholder and/or use of the Card or Account by the Cardholder constitutes concurrence with the terms and conditions of the Cardholder Agreement.

- H. Disputes.** All disputes regarding Charges or billings for the U.S. Bank USA Commercial Card Program shall be communicated in writing within sixty (60) days of statement date to U.S. Bank USA at the address set forth below:

U.S. Bank
P.O. Box 6344 Fargo, ND 58125-6344
U.S.A.

- I. Customer Service.** In the United States, to contact a customer service representative for all Commercial Card Program services, Customer USA, its Participants and Cardholders may call the following telephone numbers for answers to questions about U.S. Bank USA Accounts, take reports of lost or stolen Cards, compromised Accounts and/or to answer questions about Ancillary Services.

800-344-5696 (Program Services)	24 hours per day / 7 days per week
877-887-9260 (Cardholders, Software Customer Service)	24 hours per day / 7 days per week
877-452-8083 (Program Administrators, Software Customer Service)	6:30 a.m.-8:00 p.m., CST Monday-Friday

- J. Schedules.** The following schedules are attached to and incorporated into this U.S. Country Addendum:

- 1 U.S. Schedule 1 – Approved Card & Account Products/ Ancillary Services/Fees
- 2 U.S. Schedule 2 – Revenue Sharing Opportunity
- 3 U.S. Schedule 3 – Incentive Payment and Growth Incentive Payment Opportunity

U.S. Schedule 1
Approved Card & Account Products/Ancillary Services/Fees

A. Commercial Cards & Accounts

CARD PRODUCT FEES					
Card Product	Liability Option	Billing Cycle	Payment Due Date	Card Product Fees	
Corporate Cards/Accounts <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Travel Accident Ins. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Contingent	Monthly	25 Days	Not Paid by Due Date on the entire past due amount Not Paid by Each Subsequent Billing Cycle on the entire past due amount Travel Accident Insurance: \$250,000	0% 2.5% \$0.00
Purchase Cards/Accounts <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Corporate	Monthly	30 Days	Not Paid by Due Date on the entire past due amount Not Paid by Each Subsequent Billing Cycle on the entire past due amount	0% 2.5%
One Cards <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Travel Accident Ins. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Corporate	Monthly	30 Days	Not Paid by Due Date on the entire past due amount Not Paid by Each Subsequent Billing Cycle on the entire past due amount Travel Accident Insurance: \$500,000	0% 2.5% \$0.00
Central Billing Accounts [Central Travel Account/Event Planner/Central Relocation] <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Travel Accident Ins. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Corporate	Monthly	30 Days	Not Paid by Due Date on the entire past due amount Not Paid by Each Subsequent Billing Cycle on the entire past due amount Travel Accident Insurance: \$250,000	0% 2.5% \$0.00

U.S. Schedule 1
Approved Card & Account Products/Ancillary Services/Fees

<p>Managed Spend/Declining Balance Accounts</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Product or Program Type</p> <p><input type="checkbox"/> Corporate Card <input type="checkbox"/> One Card <input type="checkbox"/> Purchase Card</p> <p>Travel Accident Ins.</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	Corporate	Monthly	<p>Corporate Card:</p> <p>25 Days</p> <p>Purchase Card and One Card:</p> <p>14 Days</p>	<p>Corporate Card:</p> <p>Not Paid by Due Date on the entire past due amount</p> <p>Not Paid by Each Subsequent Billing Cycle on the entire past due amount</p> <p>Purchase Card and One Card:</p> <p>Not Paid by Due Date on the entire past due amount</p> <p>Not Paid by Each Subsequent Billing Cycle on the entire past due amount</p> <p>Travel Accident Insurance: \$250,000</p>	<p>0%</p> <p>2.5%</p> <p>1.0%</p> <p>2.5%</p> <p>\$0.00</p>
<p>Executive Cards</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	Contingent	Monthly	<p>25 Days</p>	<p>Annual Card Fee:</p> <p>Up to 1% of Cards Issued</p> <p>Over 1% of Cards Issued</p> <p>Travel Accident Insurance: \$1,000,000.00</p> <p>Not Paid by Due Date</p> <p>Not Paid by Each Subsequent Billing Cycle</p>	<p>\$0.00</p> <p>\$100.00</p> <p>\$0.00 0%</p> <p>2.5%</p>

The Following Fees Apply to All Card Products

Annual Card Fee	\$ 0.00
Overnight Card Delivery Fee	\$20.00
Non-Sufficient Funds Fee	\$15.00
Statement Copy	\$ 5.00
Draft Copy	\$ 5.00

U.S. Schedule 1
Approved Card & Account Products/Ancillary Services/Fees

B. Ancillary Services and Fees

Ancillary Service	Description	Fee
Convenience Checks	Transaction Fee	2.5%
	Minimum Fee	\$3.00
<input type="checkbox"/> Yes	Returned Check	\$15.00
<input checked="" type="checkbox"/> No	Fee	\$15.00
	Stop Payment	\$2.00
Product or Program Type	Fee	
	Copy Fee	
<input type="checkbox"/> Corporate Card		
<input type="checkbox"/> One Card		
<input type="checkbox"/> Purchase Card		
ATM Access / Cash Advances	Transaction Fee	2.5%
	Minimum Fee	\$2.00
<input type="checkbox"/> Yes		
<input checked="" type="checkbox"/> No		
Product or Program Type		
<input type="checkbox"/> Corporate Card		
<input checked="" type="checkbox"/> One Card		
<input type="checkbox"/> Purchase Card		

C. Contract Term

Commencement Date	Base Period
<input type="checkbox"/> Date of Contract Execution by U.S. Bank	Five Years
<input checked="" type="checkbox"/> Other Date: <u>January 1, 2009</u>	

D. Foreign Transaction Fees. U.S. Bank USA currently assesses a two and one half percent (2.5%) Foreign Transaction Fee but reserves the right to raise the fee with sixty (60) days prior written notice to Customer USA.

E. Charge Volume Estimates. U.S. Schedule 2 has been prepared by U.S. Bank USA using the following nonbinding Charge volume estimates which were provided to U.S. Bank USA by Customer USA:

1. One Card

Year	Estimated Charge Volume
1	\$38,000,000.00
2	\$45,000,000.00
3	\$54,700,000.00
4	\$65,600,000.00
5	\$78,700,000.00

**U.S. Schedule 2
Revenue Sharing Opportunity**

A. One Card Revenue Share.

1. Terminology

- a. **“Account”** means any account number to which Charges and payments may be posted. This includes One Cards and Central Billing Accounts.
- b. **“Agreement Year”** means a twelve (12) month period beginning with the first such period following the Commencement Date of the Master Agreement.
- c. **“Average Transaction Size”** means the Net Annual Charge Volume divided by the number of purchase transactions during each Agreement Year. A purchase transaction is a debit point of sale purchase transaction.
- d. **“Charge-off”** means any amount due and owing to U.S. Bank USA or its Affiliates by Customer USA that remains unpaid for one hundred fifty (150) days after the date that it was first billed.
- e. **“Client Held Days”** means the actual number of days from billing cycle date to the date U.S. Bank USA applies payment (annual per statement cycle average).
- f. **“Client Held Days Payment Performance”** means the average speed of repayment of Charges made for each Agreement Year.
- g. **“Fraudulent Charges”** means those Charges which are not initiated, authorized or otherwise requested by Customer USA, its Affiliates, and/or a Cardholder by any means (electronic, telephonic or written) and do not directly or indirectly benefit Customer USA, its Affiliates, and/or a Cardholder.
- h. **“Net Annual Charge Volume”** means all Charges set forth on the Statements furnished for all Accounts, less Fees, Cash Advances, Fraudulent Charges, chargebacks, Charges qualifying for large transaction interchange rates and amounts Charged-off by U.S. Bank USA with respect to such Accounts as uncollectible for each Agreement Year.
- i. **“Revenue Share”** means the combination of the Performance Rebate and Volume Rebate.
- j. **“Total Rebate Percentage”** means the sum total of the Performance Rebate Percentage and the Volume Rebate Percentage.

2. Conditions. The following conditions apply to all Revenue Share opportunities:

- a. **Timing.** The first Revenue Share payment, if any, shall be made within ninety (90) days after the end of the first (1st) Agreement Year. Subsequent calculations and payments, if any, shall be made in a similar fashion on each twelve (12) month anniversary of the first calculation. If any Revenue Share payment date falls on a non-business day, Revenue Share payments due shall be made on the next business day.
- b. **Adjustments.** Any Revenue Share payment made pursuant to the Master Agreement and this U.S. Country Addendum will be net of accumulated Charge-offs and/or Incentive Payment Penalties resulting from participation in U.S. Bank USA or U.S. Bancorp Card Services, Inc. programs regardless of whether the underlying agreement between the parties is valid or has been terminated.
- c. **Penalties.** In the event that the Master Agreement and/or this U.S. Country Addendum is terminated early without cause or by U.S. Bank USA with cause, and/or the primary provider provision of this U.S. Country Addendum is violated, in addition to any other remedies available to U.S. Bank USA, this Revenue Share opportunity shall immediately terminate and no Revenue Share shall be paid to Customer USA.
- d. **Confidentiality.** Customer USA expressly agrees that the terms and conditions of this Revenue Share opportunity are confidential and may not be disclosed to third parties, unless required by law or regulation, without U.S. Bank USA’s prior written consent, which may be exercised at its sole option.

3. Minimum Performance Requirements. No Revenue Share calculation shall be made unless:

- a. The Client Held Days Payment Performance for all Account Statements is equal to or less than Thirty (30) Client Held Days.
- b. The Net Annual Charge Volume is equal to or greater than three million U.S. Dollars (\$3,000,000.00).
- c. The Average Transaction size is equal to or greater than three hundred U.S. Dollars (\$300.00).

4. Performance Rebate. U.S. Bank USA shall pay to Customer USA a portion of its aggregate Net Annual Charge Volume through a rebate (**“Performance Rebate”**). The Performance Rebate will be based on the Client Held Days Payment Performance for all Accounts for each Agreement Year. The Performance Rebate calculation will be made in accordance with the Table A, below.

U.S. Schedule 2
Revenue Sharing Opportunity

Table A	
Client Held Days	Performance Rebate Percentage
30	0.0000%
29	0.0100%
28	0.0200%
27	0.0300%
26	0.0400%
25	0.0500%
24	0.0600%
23	0.0700%
22	0.0800%
21	0.0900%
20	0.1000%
19	0.1100%
18	0.1200%
17	0.1300%
16	0.1400%
15	0.1500%
14	0.1600%
13	0.1700%
12	0.1800%
11	0.1900%
10	0.2000%
9	0.2100%
8	0.2200%
7	0.2300%
6	0.2400%
5	0.2500%
4	0.2600%
3	0.2700%
2	0.2800%
1	0.2900%
0	0.3000%

5. **Volume Rebate.** U.S. Bank USA shall pay to Customer USA a portion of its aggregate Net Annual Charge Volume through a rebate (“**Volume Rebate**”). The Volume Rebate will be based on the Net Annual Charge Volume and the Average Transaction Size. The Volume Rebate calculation will be made in accordance with Table B, below.

U.S. Schedule 2
Revenue Sharing Opportunity

Table B	
Net Annual Charge Volume	Average Transaction Size
	\$300.00
	Volume Rebate Percentage
\$3,000,000.00	0.3870%
\$5,000,000.00	0.7510%
\$8,000,000.00	0.9090%
\$12,000,000.00	0.9570%
\$18,000,000.00	1.0060%
\$25,000,000.00	1.0420%
\$35,000,000.00	1.0820%
\$45,000,000.00	1.1330%
\$50,000,000.00	1.1500%
\$55,000,000.00	1.1550%
\$60,000,000.00	1.1600%
\$65,000,000.00	1.1650%
\$70,000,000.00	1.1680%
\$75,000,000.00	1.1710%
\$80,000,000.00	1.1740%
\$90,000,000.00	1.1770%
\$100,000,000.00	1.1790%
\$110,000,000.00	1.1810%
\$120,000,000.00	1.1830%
\$130,000,000.00	1.1850%
\$140,000,000.00	1.1860%
\$150,000,000.00	1.1870%
\$175,000,000.00	1.1880%
\$200,000,000.00	1.1890%
\$225,000,000.00	1.1900%
\$250,000,000.00	1.1910%

- 6. Revenue Share Calculation.** U.S. Bank USA will calculate the Client Held Days Payment Performance for the Agreement Year to find the Performance Rebate Percentage on Table A for the Performance Rebate.

U.S. Bank USA will calculate the Net Annual Charge Volume and the Average Transaction Size for the same Agreement Year to find the Volume Rebate Percentage on Table B for the Volume Rebate. Annually, U.S. Bank USA will multiply the Total Rebate Percentage by the Net Annual Charge Volume for that same Agreement Year. The result will be the gross Revenue Share. U.S. Bank USA will subtract any Charge-offs and/or Incentive Payment Penalties, as specified in Schedule 3.A.2.b. (the **“Incentive Payment Penalties”**), that have not been subtracted at any time during any of the past Agreement Year(s) from the gross Revenue Share. The result will be the net Revenue Share. Any Charge-offs and/or Incentive Payment Penalties in excess of the net Revenue Share from one (1) Agreement Year will be subtracted from one (1) or more of the following Agreement Years. Upon termination of the Agreement, if the net Revenue Share is a negative dollar amount due to Charge-offs and/or Incentive Payment Penalties

U.S. Bank USA may request, and Customer USA agrees to reimburse, U.S. Bank USA up to the dollar amount previously paid by U.S. Bank USA to Customer USA.

U.S. Schedule 3
Incentive Payment and Growth Incentive Payment Opportunity

A. Incentive Payment and Growth Incentive Payment Opportunity.

- 1 Incentive Payment and Growth Incentive Payment Requirements.** U.S. Bank USA shall offer Customer USA the opportunity to receive an incentive payment (“**Incentive Payment**”) each Agreement Year and growth incentive payment (“**Growth Incentive Payment**”) based upon 1) U.S. Bank USA being the sole-source One Card provider to Customer USA; 2) the execution of a U.S. Bank Commercial Card Master Agreement with a five (5) year term (the “**Agreement Term**”) by Customer USA; and during the first Agreement Year, Customer USA obtaining a minimum of twenty-five million U.S. Dollars (\$25,000,000.00) in Net Annual Charge Volume in (the “**Volume Target**”) and in the second through fifth Agreement Years, Customer USA obtaining a minimum of thirty million U.S. Dollars (\$30,000,000.00) in Net Annual Charge Volume.
- 2. Incentive Payment Conditions.** The following conditions apply to the Incentive Payment opportunity:
 - a. Timing.** The Incentive Payment will be seventy thousand U.S. Dollars (\$70,000.00) (the “**Incentive Payment Amount**”) and will be paid to Customer USA within sixty (60) days after the Commencement Date of the Master Agreement. Any subsequent Incentive Payments shall be paid within sixty (60) days after the start of each Agreement Year.
 - b. Penalties.** Customer USA agrees to pay to U.S. Bank USA one (1) or more of the following “Incentive Payment Penalties”, as applicable, up to the Incentive Payment Amount should one (1) or more of the following situations occur:
 - i.** If Customer USA fails to meet the minimum Volume Target after the completion of each Agreement Year, U.S. Bank USA retains the right to deduct a pro rata portion of the Incentive Payment paid to Customer USA from Customer USA’s Revenue Share, if any, based upon the percentage by which the Customer USA failed to meet the Volume Target (the “**Pro Rata Portion**”). If the Pro Rata Portion is greater than the Revenue Share for the Agreement Year, U.S. Bank USA retains the right to subtract the remaining dollar amount from the Revenue Share of one (1) or more of the following Agreement Years. Upon termination of the Agreement, if the Pro Rata Portion outstanding is in excess of the net Revenue Share, Customer USA agrees to pay to U.S. Bank USA such dollar amount.
 - ii.** In the event that the sole provider provision is violated by Customer USA, in addition to any other remedies available to U.S. Bank USA, Customer USA shall refund to U.S. Bank USA a portion of the Incentive Payment, based upon a monthly pro rata portion thereof, for the period of time remaining between the breach and the fifth (5th) anniversary of the Commencement Date of the Master Agreement.
 - iii.** In the event that the Master Agreement is terminated by Customer USA prior to the fifth (5th) anniversary of the Commencement Date of the Master Agreement, within sixty (60) days after the notice of termination is received by U.S. Bank USA, Customer USA shall refund to U.S. Bank USA a portion of the Incentive Payment, based upon a monthly pro rata portion thereof, for the period of time remaining between the effective date of termination and the fifth (5th) anniversary of the Commencement Date of the Master Agreement.
- 3. Growth Incentive Payment Conditions.** The following conditions apply to the Growth Incentive Payment opportunity:
 - a. Calculation.** The Growth Incentive Payment, if any is due, will be an amount equal to seventeen (17) basis points (0.170%) of the incremental increase in the Net Annual Charge Volume over the Volume Target after the completion of the second (2nd) Agreement Year. For purposes of clarity only, if the actual Net Annual Charge Volume for the second (2nd) Agreement Year is twenty-eight million U.S. Dollars (\$28,000,000.00), the Growth Incentive Payment would be an amount equal to seventeen (17) basis points (0.170%) multiplied by three million U.S. Dollars (\$3,000,000.00) or five thousand one hundred U.S. Dollars (\$5,100.00). Subsequent Growth Incentive Payments, if any are due, will be paid on the incremental increases of the Net Annual Charge Volume based on the previous highest Net Annual Charge Volume achieved in an Agreement Year (the “Incremental Growth”). For purposes of clarity only, if the Net Annual Charge Volume for the second (2nd) Agreement Year is twenty-eight million U.S. Dollars (\$28,000,000.00) and the Net Annual Charge Volume for the third (3rd) Agreement Year is thirty-eight million U.S. Dollars (\$38,000,000.00), the second (2nd) Growth Incentive Payment would be an amount equal to seventeen (17) basis points (0.170%) multiplied by ten million U.S. Dollars (\$10,000,000.00) or seventeen thousand U.S. Dollars (\$17,000.00).

U.S. Schedule 3
Incentive Payment and Growth Incentive Payment Opportunity

- b. Restrictions.** No Growth Incentive Payment calculation shall be made unless: 1) the Net Annual Charge Volume is at least thirty million U.S. Dollars (\$30,000,000.00); 2) there is Incremental Growth for the Agreement Year; and 3) the Master Agreement is valid and in full force and effect for the entire Agreement Year. Notwithstanding the foregoing, should Customer USA fail to reach the Volume Target in an Agreement Year, Customer USA will not be precluded from obtaining a Growth Incentive Payment in the remaining Agreement Years, subject to the restrictions above.
- c. Timing.** Growth Incentive Payments, if any are due, will be paid within sixty (60) days after the end of the immediately preceding Agreement Year for the length of the Agreement Term.

U.S. BANK, 800 NICOLLETT MALL, MINNEAPOLIS, MN 55402

NIGP CODE: 94635

Terms: NET 30

Vendor Number: W000014078 X

Telephone Number: 800/344-5696

Fax Number: 612/973-3705

Contact Person: Steve Bollum

E-mail Address: steve.bolum@usbank.com

Certificates of Insurance Required

Contract Period: To cover the period ending **December 31, 2013.**